LISTING PARTICULARS DATED 31 JULY 2026

BANCA DEL FUCINO S.P.A.

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

€40,000,000 12.000% Additional Tier 1 Notes

Banca del Fucino S.p.A. (the "**Issuer**" or the "**Bank**") will issue €40,000,000 Additional Tier 1 Notes in dematerialised form (the "**Notes**"). Defined terms used hereunder shall have the meanings given to such terms below or in the terms and conditions of the Notes (the "**Conditions**" and each of them, a "**Condition**").

The Notes will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer, as described in Condition 3 (*Status of the Notes*) and will be governed by, and construed in accordance with, Italian law, as described in Condition 16 (*Governing Law and Submission to Jurisdiction*) in the Conditions. The Notes will bear interest on their Outstanding Principal Amount, payable semi-annually in arrear on 4 February and 4 August in each year (each, an "**Interest Payment Date**"), as follows: (i) in respect of the period from (and including) 4 August 2026 (the "**Issue Date**") to (but excluding) 4 August 2031 (the "**First Reset Date**"), at the rate of 12.000 per cent. per annum (the "**Initial Rate of Interest**"); and (ii) in respect of each period from (and including) the First Reset Date and each fifth anniversary thereof (each, a "**Reset Date**") to (but excluding) the next succeeding Reset Date (each such period, a "**Reset Interest Period**"), at the rate per annum (first calculated on an annual basis and then converted to a semi-annual rate in accordance with market convention), corresponding to the sum of 9.346% (the "**Margin**") and the 5-year Mid-Swap Rate in relation to that Reset Interest Period, all as determined in accordance with Condition 4 (*Interest*) (the "**Reset Rate of Interest**").

Interest on the Notes will be due and payable only at the sole discretion of the Issuer, and the Issuer shall have sole and absolute discretion at all times and for any reason to cancel (in whole or in part) for an unlimited period and on a non-cumulative basis any interest payment that would otherwise be payable on any Interest Payment Date. In addition, the Issuer shall not make an interest payment on the Notes (and such interest payment shall therefore be deemed to have been cancelled and shall not be due and payable) in the circumstances described in Condition 5.2 (*Restriction on interest payments*). Any interest cancelled (whether in whole or in part) shall not be due and shall not accumulate or be payable at any time thereafter nor constitute any default for any purpose on the part of the Issuer, and holders of the Notes have no rights thereto whether in a bankruptcy or liquidation of the Issuer or otherwise, or to receive any additional interest or compensation as a result of such cancellation or deemed cancellation. See further Condition 5 (*Interest Cancellation*). Further, following the occurrence of a Trigger Event and a Write-Down of the Notes in accordance with Condition 6 (*Loss Absorption following a Trigger Event*), any accrued and unpaid interest on the Notes through to the Write-Down Effective Date (whether or not such interests have become due for payment) shall be automatically cancelled and following each Write-Down, interest will accrue on – subject to any subsequent Write-Down(s) or Principal Reinstatement(s) - the Outstanding Principal Amount of each Note as reduced by the Write-Down Amount from (and including) the relevant Write-Down Effective Date.

If the CET1 of the Issuer on a solo basis (or of the Group on a consolidated basis, as the case may be) falls below 5.125%, then the Issuer shall write down the Outstanding Principal Amount of the Notes, on a *pro rata* basis with the write-down or conversion into equity of other Loss Absorbing Instruments, as described in Condition 6 (*Loss Absorption following a Trigger Event*). Following any Write-Down of the Notes, the Issuer may, at its sole and absolute discretion, but subject to a positive Net Income or Consolidated Net Income being recorded, reinstate and write-up the Outstanding Principal Amount of the Notes on a *pro rata* basis with other Loss Absorbing Written-Down Instruments, subject to compliance with the reinstatement limit under Applicable Banking Regulations, on the terms and subject to the conditions set forth in Condition 6.3 (*Principal Reinstatement*).

The Notes are perpetual and have no fixed redemption date. The Notes will mature and become repayable on the date on which voluntary or involuntary winding up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) proceedings are instituted in respect of the Issuer (otherwise than for the purposes of an Approved Reorganisation), in accordance with, as the case may be, (i) a resolution passed at a shareholders' meeting of the Issuer, (ii) any provision of the Articles of Association of the Issuer (which, as at the date of these Listing Particulars provide for the duration of the Issuer to expire on 31 December 2050, but if such expiry date is extended, the maturity of the Notes will be correspondingly adjusted), or (iii) any applicable legal provision, or any decision of any judicial or administrative authority. Upon maturity, the Notes will become due and payable at an amount equal to their Outstanding Principal Amount together (if any and excluding any interest cancelled in accordance with Condition 5 (*Interest Cancellation*)) with interest accrued to (but excluding) the date of redemption and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*).

The Issuer may, at its option, redeem the Notes: (a) in whole but not in part, on the First Reset Date and on any Interest Payment Date thereafter, pursuant to Condition 8.4 (*Redemption at the option of the Issuer (Issuer Call)*); (b) in whole but not in part, upon the occurrence of a Regulatory Event pursuant to Condition 8.3 (*Redemption for regulatory reasons*); or (c) in whole but not in part, following a Tax Event pursuant to Condition 8.2 (*Redemption for tax reasons*); or (d) in whole but not in part, if at least 75 per cent. of the initial aggregate principal amount of the Notes has been purchased by or on behalf of the Issuer and cancelled, pursuant to Condition 8.5 (*Clean-up Call*), in each case, at their prevailing Outstanding Principal Amount together with accrued interest (if any and excluding any interest cancelled in accordance with Condition 5 (*Interest Cancellation*)) and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*) and subject to satisfaction of certain conditions set out in Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

The Notes are not redeemable at the option of the Noteholders.

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

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the approval of this document as Listing Particulars. Application has also been made to Euronext Dublin for the Notes to be admitted to listing on the official list of Euronext Dublin (the "**Official List**") and to trading on the Global Exchange Market, which is the exchange regulated market of Euronext Dublin, with effect from the Issue Date. The Global Exchange Market is not a regulated market for the purposes of Directive 2014/65/EU (as amended, "**EU MiFID II**"). References in these Listing Particulars to the Notes being listed (and all related references) shall mean that the Notes have been admitted to trading on the Global Exchange Market. These Listing Particulars do not constitute a prospectus for the purposes of Regulation (EU) 2017/1129, as amended or superseded (the "**Prospectus Regulation**") and, in accordance with such Prospectus Regulation, no prospectus is required in connection with the issuance of the Notes.

Payments of interest or other similar amounts relating to the Notes may in certain circumstances be subject to a substitute tax (referred to as *imposta sostitutiva*) of 26 per cent. pursuant to Legislative Decree No. 239 of 1 April 1996. In order to obtain exemption at source from *imposta sostitutiva* in respect of payments of interest or other similar amounts relating to the Notes, each Noteholder not resident in the Republic of Italy is required to comply with the deposit requirements described in "*Taxation – Italian Taxation*" and to certify, in accordance with the relevant legal provisions and the guidance issued by the Italian tax authorities, that such Noteholder is, *inter alia*, (i) resident in a country which allows for a satisfactory exchange of information with the Republic of Italy (such countries are listed in the Ministerial Decree of 4 September 1996, as amended and supplemented from time to time and possibly further amended by future decrees issued pursuant to Article 11(4)(c) of Legislative Decree No. 239 of 1 April 1996) and (ii) the beneficial owner of payments of interest, premium or other similar amounts relating to the Notes, all as more fully set out in "*Taxation – Italian Taxation*".

On each Reset Date, interest amounts payable under the Notes will be calculated by reference to the mid-swap rate for euro swaps with a term of five years which appears at the relevant time on the "ICAE 1" page, which is provided by the ICE Benchmark Administration Limited, or by reference to EURIBOR, which is provided by the European Money Markets Institute. At the date of these Listing Particulars, the European Money Markets Institute appears on the register of administrators and benchmarks ("**EU BMR Register**") established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**"). As at the date of these Listing Particulars, ICE Benchmark Administration Limited appears in the EU BMR Register established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation and as at the date of these Listing Particulars, no public notice has been included in the EU BMR Register with respect to the mid-swap rate for euro swaps with a term of five years.

An investment in the Notes involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under "*Risk Factors*" below.

As at the date of these Listing Particulars, neither the Notes nor the Issuer has been assigned a rating by any rating agency.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except in certain transactions exempt from the registration requirements of the Securities Act.

SOLE BOOKRUNNER

Goldman Sachs International

RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in these Listing Particulars. 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 these Listing Particulars is in accordance with the facts and does not omit anything likely to affect the import of such information.

These Listing Particulars are to be read in conjunction with all information which is deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*" below). These Listing Particulars shall be read and construed on the basis that such information is incorporated in and form part of these Listing Particulars.

Neither the Sole Bookrunner nor any of its respective affiliates (including parent companies) have authorised these Listing Particulars or any part thereof. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Sole Bookrunner or any of their respective affiliates (including parent companies) as to the accuracy or completeness of the information contained or incorporated in these Listing Particulars or any other information provided by the Issuer in connection with the Notes. The Sole Bookrunner does not accept any liability in relation to the information contained or incorporated by reference in these Listing Particulars or any other information provided by the Issuer in connection with the Notes.

No person is or has been authorised by each of the Issuer or the Sole Bookrunner or any of its affiliates (including parent companies) to give any information or to make any representation not contained in (or not consistent with) these Listing Particulars or any other document entered into in relation to the Notes or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation must not be relied upon as having been authorised by each of the Issuer or any of the Sole Bookrunner or any of its affiliates (including parent companies).

Neither these Listing Particulars nor any other information supplied in connection with the Notes (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 the Sole Bookrunner or any of its affiliates (including parent companies) that any recipient of these Listing Particulars or any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Group (as defined herein).

Neither the delivery of these Listing Particulars nor the offering, sale or delivery of any Notes 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 Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Sole Bookrunner and its affiliates (including parent companies) expressly do not undertake to review the financial condition or affairs of the Issuer or the Issuer and the Group during the life of the Notes or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the information incorporated by reference into these Listing Particulars when deciding whether or not to purchase any Notes. Neither the delivery of these Listing Particulars nor the offering, sale or delivery of any Note shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date of these Listing Particulars.

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act except in certain transactions exempt from the registration requirements of the Securities Act. See "*Subscription and Sale*".

These Listing Particulars do not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of these Listing Particulars and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Sole Bookrunner do not represent that these Listing Particulars may be lawfully distributed, or that any Notes 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 or the Sole Bookrunner which would permit a public offering of any Notes or distribution of these Listing Particulars in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither these Listing Particulars nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession these Listing Particulars or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of these Listing Particulars and the offering and sale of Notes. In particular, there are restrictions on the distribution of these Listing Particulars and the offer or sale of Notes in the United States, the European Economic Area, the United Kingdom, the Republic of Italy, Japan and Singapore. See "*Subscription and Sale*".

DEFINITIONS, INTERPRETATION AND ROUNDING

All references in this document to: "**Euro**", "**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; and references to the "**Group**" and, where the context requires, the "Bank", are to the Issuer and its subsidiaries.

The language of these Listing Particulars is English. 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.

References to websites or uniform resource locators ("**URLs**") are inactive textual references and are included for information purposes only. The contents of any such website or URL shall not form part of, and shall not be deemed to be incorporated into, these Listing Particulars.

SUITABILITY OF INVESTMENT

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

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in these Listing Particulars;

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

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with 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;

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

(e) 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 investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

STABILISATION

In connection with the issue of the Notes, Goldman Sachs International acting as the stabilising manager (the "**Stabilisation Manager**") (or persons acting on its behalf) may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Such stabilising shall be conducted in accordance with all applicable laws and rules. Any loss or profit sustained as a consequence of any such over-allotment or stabilising shall, as against the Issuer, be for the account of the Stabilisation Manager (or persons acting on its behalf).

Restrictions on Marketing, Sales and Resales to Retail Investors

1. The Notes discussed in these Listing Particulars are complex financial instruments. They are not a suitable or appropriate investment for all investors, especially retail investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Notes. Potential investors in the Notes should inform themselves of, and comply with, any applicable laws, regulations or regulatory guidance with respect to any resale of the Notes (or any beneficial interests therein).

2. In the United Kingdom ("**UK**"), the Financial Conduct Authority ("**FCA**") Conduct of Business Sourcebook ("**COBS**") requires, in summary, that the Notes should not be offered or sold to retail clients (as defined in COBS 3.4 and each a retail client) in the UK.

   Goldman Sachs International (the "**Sole Bookrunner**") is required to comply with COBS.

   By purchasing, or making or accepting an offer to purchase, any Notes (or a beneficial interest in such Notes) from the Issuer and/or the Sole Bookrunner, each prospective investor represents, warrants, agrees with and undertakes to the Issuer and the Sole Bookrunner that:

   i) it is not a retail client in the UK; and

   ii) it will not sell or offer the Notes (or any beneficial interest therein) to retail clients in the UK or communicate (including the distribution of these Listing Particulars or this document) or approve an invitation or inducement to participate in, acquire or underwrite the Notes (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the UK.

   In selling or offering the Notes or making or approving communications relating to the Notes, each prospective investor may not rely on the limited exemptions set out in COBS.

3. The obligations in paragraph 2 above are in addition to the need to comply at all times with all other applicable laws, regulations and regulatory guidance (whether inside or outside the European Economic Area ("**EEA**") or the UK) relating to the promotion, offering, distribution and/or sale of the Notes (or any beneficial interests therein), whether or not specifically mentioned in these Listing Particulars, including (without limitation) any requirements under EU MiFID II or the UK FCA Handbook as to determining the appropriateness and/or suitability of an investment in the Notes (or any beneficial interests therein) for investors in any relevant jurisdiction.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Notes (or any beneficial interests therein) from the Issuer and/or the Sole Bookrunner, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client, as defined in point (11) of Article 4(1) of EU MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"). Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

EU 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 Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the manufacturers' target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Singapore Securities and Futures Act Product Classification

Solely for the purposes of the Issuer's obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the SFA, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are a "prescribed capital markets product" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and an Excluded Investment Product (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Where a prospective investor acts as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Notes (or any beneficial interests therein) from the Issuer and/or the Sole Bookrunner, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the relevant prospective investor as agent and its underlying client(s).

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RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

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

The Issuer believes that the factors described below represent the material risks inherent in investing in the Notes, but this is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. The inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Accordingly, the Issuer does not represent that the statements below regarding the risk of holding any Notes are exhaustive.

The Issuer has identified in this "Risk Factors" section a number of factors, which could materially adversely affect its businesses and ability to make payments due under the Notes. Noteholders should read these risk factors together with the other detailed information set out elsewhere in these Listing Particulars (including the information incorporated by reference herein) and consider carefully whether an investment in the Notes is suitable for them in light of the information contained in these Listing Particulars and their personal circumstances, based upon their own judgment and upon the advice from such financial, accounting, legal, tax and other advisers as they may deem necessary.

Words and expressions defined elsewhere in these Listing Particulars have the same meaning in this section, unless otherwise noted. Noteholders should read the entire Listing Particulars, including the information incorporated by reference.

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

Risks relating to the impact of current macroeconomic conditions on the Issuer and the Group

The Issuer and the Group's business are affected by the macroeconomic conditions, trends in the financial markets in general as well as by the economic condition in Italy in particular, interest rate levels, currency exchange rates, changes in laws and regulations, changes in the policies of central banks, particularly the Bank of Italy and the European Central Bank (**ECB**), and competitive factors, at a regional, national and international level. Therefore, the future development in the macroeconomic context and any negative variations of the factors described hereafter may restrict the global economic outlook, with a corresponding adverse effect on the Issuer's and the Group's business, results of operations and financial condition.

Interest rate fluctuations may also have an impact on the demand for mortgages and other loan products. More generally, fluctuations in interest rates and in ratings in the Eurozone and in the other markets in which the Issuer and the Group operate influence its performance.

Since the first half of 2022, economic growth slowed globally due mainly to the effects of Russia's invasion of Ukraine.

The Russian invasion has indeed provoked the reaction of other countries, which have launched heavy 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. As a result, the United States, Canada, the European Union and other countries and multinational organizations have announced and implemented sanctions of various types against Russia, such as the designation of a number of persons and entities, including major Russian banks, in "blocked person" lists, the removal of certain Russian banks from the SWIFT system that facilitates the transfer of money between banks, a prohibition on providing certain types of financing and financial services to certain companies or banks that are under public control or publicly owned, a prohibition on transactions with certain Russian counterparties, and the imposition of restrictions on the export to Russia of certain goods and technologies. In response to the foregoing sanctions, Russia replied with countersanctions on so-called "unfriendly" states (which specifically include countries of the European Union). Countersanctions imposed by Russia have led to a reduction in supply volumes or even a suspension of gas and oil deliveries. 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). In this regard, it should be noted that the Issuer is not directly exposed, in terms of credit risk and financial investments, to parties directly involved in this phenomenon (*i.e.*, the Issuer does not have credit exposures or investments in financial instruments that have, as counterparts, entities involved in the conflict or financial institutions and companies residing in countries involved in the conflict). In any case, the hostilities in Ukraine and the sanctions imposed on Russia, the resulting trade restrictions, the disruptions to global supply chains and the increase in energy, and raw material prices in general, have negatively affected markets and businesses worldwide.

Moreover, mismatches between the supply and demand of goods and services, partially as a result of Russia-Ukraine conflict have contributed to a rise in global inflation. To counter inflation, central banks raised interest rates during 2022 and 2023: in the U.S., the Federal Reserve System terminated its large-scale asset purchases, popularly known as "quantitative easing", and announced a plan to reduce its bond holdings. In addition, the Federal Reserve System implemented benchmark interest rate increases to counteract inflationary pressures; also the European Central Bank implemented interest rate increases and discontinued its asset purchases. All of these factors may adversely affect the Issuer. Uncertainty surrounding the pace of future interest rate fluctuations by major central banks has already resulted in significant volatility in financial markets around the world and such volatility may continue for a prolonged period of time. Any increase in inflation rates and/or interest rates or a potential recession or other periods of declining economic conditions could adversely affect Issuer's business, results of operations and financial condition and have a negative effect on the securities markets generally.

Recent geopolitical developments, including military actions involving Israel, the United States and Iran, have heightened tensions in the Middle East and increased the risk of further escalation in the region. Such events may result in increased volatility across global financial markets and may adversely affect economic activity, investor confidence and the availability and cost of funding.

In particular, geopolitical conflicts in the Middle East may affect global commodity markets, especially oil and natural gas markets, given the strategic importance of the region for global energy supply and the concentration of key transportation routes such as the Strait of Hormuz. Any disruption to energy production, infrastructure or transportation routes in the region could lead to significant increases in energy prices, supply disruptions and broader macroeconomic effects, including increased inflationary pressures, reduced economic growth and heightened market volatility.

Therefore, the economic outlook is still conditioned by a high degree of uncertainty that depends, *inter alia*, on the evolution and duration of the above-mentioned conflicts.

In addition to the above, the macroeconomic framework could be influenced by: (i) new international trade policies; (ii) other global geopolitical tensions (including the trade disputes between the United States and China and the related protectionist initiatives that have been introduced); (iii) concerns over levels of economic growth and consumer confidence generally; (iv) future developments of the ECB monetary policy in the Euro area, the Federal Reserve system in the Dollar area, and the policies implemented by other countries aimed at promoting competitive devaluations of their currencies; (v) the availability and cost of credit; (vi) the stability and solvency of the financial institutions and other companies; (vii) the sustainability of the sovereign debt of certain countries and related recurring tensions on the financial markets; (viii) the volatile trend in the price of oil and gas; (ix) the outcome of the elections recently concluded in Europe and in the U.S. as at the date of these Listing Particulars; and (x) the potential negative impacts on the economy arising from climate change and global warming at both a global and regional level.

Rising market tensions might negatively affect the funding costs and economic outlook of some EU member states.

This, together with the risk that one or more EU member States could decide either (i) to hold referenda as to their membership of the EU, or (ii) in the case of EU Member States that adopted the Euro as their national currency, to adopt an alternative currency, could lead to the deterioration of the EU's economic and financial situation with a significant negative effect on the entire financial sector, creating new difficulties in the granting of sovereign loans and loans to businesses, and significant changes to financial activities both at market and retail level. The materialization of these risks could have a significant adverse impact on global economic conditions and the stability of international financial markets and a material and negative impact on the Group and/or on the Group's clients, with negative implications for the Group's business, results and financial position.

Lingering market tensions might negatively affect the global economy and hamper the recovery of the Euro area.

At the date of the Listing Particulars, it remains unclear whether Italy and some European economies will be able to make a significant, structural turnaround over the medium to long term. Any further deterioration of the Italian economy would have a material adverse effect on the Group's business, in light of the Group's significant exposure to the Italian economy.

Despite the several initiatives of supranational organisations to deal with the heightened sovereign debt crisis in the Euro area, the global markets remain characterised by high uncertainty and volatility. Any further acceleration of the European sovereign debt crisis is likely to significantly affect, among other things, the recoverability and quality of the sovereign debt securities held by the Group as well as the financial resources of the Group's clients holding similar securities. The occurrence of any of the above events may cause the Group to suffer losses, increases in funding costs and a diminution in the value of its assets, with a potential adverse effect on the Group's liquidity, financial position and results of transactions, including its ability to access the capital and financial markets and to refinance debt in order to meet its funding requirements.

Any of the foregoing could have a material adverse effect on the Issuer's and the Group's business, results of operations and financial condition.

Risks related to Italian financial conditions, sovereign debt and sovereign ratings

Alongside the international macroeconomic situation, there are also specific risks associated with the current economic, financial and political conditions in Italy. Italy is the main country in which the Issuer operates, therefore, its business is particularly sensitive to investor perception of the country's reliability and solidity of its financial condition as well as prospects for its economic growth.

Market tensions involving government bonds and their volatility might have negative effects on the Issuer and/or the Group's assets, results of operations and/or financial condition. In addition, the political situation in Italy has historically increased the economic uncertainty.

Furthermore, sovereign credit risk is the risk that the Italian government is not able to repay amounts due on its securities in whole or in part when due. There is a strong correlation between sovereign ratings and the debt sustainability of a country which, exceeding a certain threshold as perceived by the market or recommended by public institutions, creates uncertainty and market volatility, and may also trigger sovereign downgrades by rating agencies. In general, a high level of sovereign debt is perceived as an increased risk of potential sovereign default (with a consequential knock-on effect on other market operators).

Based on the methodologies used by rating agencies, a potential downgrade of Italy's credit rating may have a knock-on effect on the credit rating of Italian issuers. Any downgrade of the Italian sovereign credit rating, or the perception that such a downgrade may occur, may destabilise the markets and have an adverse effect on the Issuer's operating results, capital and liquidity position, financial condition and prospects, as well as on the marketability of the Notes. If sentiment towards the banks and/or other financial institutions operating in Italy were to deteriorate materially, or if the Issuer's ratings, if any, and/or the ratings of the sector were to be further adversely affected, this may have an adverse impact on the Issuer. In addition, such change in sentiment or reduction in ratings could result in an increase in the costs and a reduction in the availability of wholesale market funding across the financial sector which could have an adverse effect on the liquidity funding and value of the assets of all Italian financial services institutions, including the Issuer.

Credit risk and risk of credit quality deterioration

Credit risk is defined as the risk of incurring losses resulting from the possibility that a counterparty, beneficiary of a loan or issuer of a debt securities will not be able to meet its obligations (repayment in due course of interest and/or principal or any other amount due - default risk). In a broader sense, credit risk can also be defined as the potential loss arising from the default of the borrower/issuer or from a decrease in the market value of a financial obligation, due to the deterioration of its credit quality.

As at 31 December 2025, gross loans to customers amounted to €2,896,643,200 and net loans to customer amounted to €2,817,632,913. Moreover, as at 31 December 2025, the Group's gross non-performing assets amounted to €178,628,302, with an impact on total gross customer loans of 6.17%. As at 31 December 2025, net non-performing assets amounted to €127,667,518, with a weight on total net customer loans of 4.53%.

The Issuer's business depends, to a substantial degree, on the creditworthiness of its customers. Notwithstanding the controls it carries out, including customer credit checks, it faces normal lending risks and thus may not, for reasons beyond its control (such as fraudulent behaviour by customers), have access to all the relevant information on a particular customer, their financial position or their ability to pay amounts owed or repay amounts borrowed. Although the Issuer has implemented a specific process for identifying and managing credit risk, any failure by customers to report their financial and credit position accurately or to comply with the terms of the loan agreements to which they are party could have an adverse effect on the Issuer's and the Group's business and financial results. In addition, any failure by the Issuer to correctly assess the creditworthiness of its customers or any failure in its customer vetting system could have an adverse effect on the Issuer's and the Group's business and financial results.

Moreover, counterparties may fail to satisfy their obligations to the Issuer due to bankruptcy, shortage of liquidity, operating malfunctions or other reasons. The bankruptcy of an important market player, or even merely the possibility of default by them, may significantly affect the Issuer's and the Group's liquidity and could give rise to losses or default on the part of other institutions, which could in turn have a negative impact on the Issuer and the Group. The Issuer may also be subject to risks in certain circumstances when some of its claims against its counterparties may not be paid when due. In addition, a lowering in the counterparty credit rating of the Issuer's debtors, including the Republic of Italy (as better described under paragraph headed "*Risks related to Italian financial conditions and sovereign debt*", above), in which the Issuer holds securities and bonds, could lead to losses and/or have a negative impact on the Issuer's and the Group's ability to reduce its exposure or use securities in a different way for liquidity purposes. A significant downgrade of the credit rating of the Issuer's counterparties could therefore have a negative impact on the profits and financial results of the Issuer and the Group. While in many cases the Issuer may demand further security, guarantees or other collateral from counterparties in financial difficulty, disputes could arise regarding the value of such guarantees and/or the assets subject to guarantee.

Credit risk of the Issuer mainly results from past investment activity in securities, loans, or assets underlying securitization transactions and from the Issuer's new core business (*i.e.*, credit to small and medium-sized businesses).

With reference to the credit quality, the Group's classification of impaired credit follows the definition of "default" under the European Regulation on prudential requirements for credit institutions and investment firms (article 178 of Regulation (EU) No. 575/2013 of the European Parliament and the European Council on 26 June 2013). From a prudential perspective, consistent with the provisions contained in the Circular of Bank of Italy No. 285 of 17 December 2013, as amended from time to time by the Bank of Italy (**Circular No. 285**), relating to banking groups, the Group measures credit risk for regulatory purposes by applying the standard methodology, from a current and prospective perspective, in baseline and adverse scenarios. In addition, to calculate concentration risk, the Bank uses the granularity adjustment methodology for single name concentration risk and the methodology for geo-sector concentration risk of the Italian Banking Association (ABI).

In connection with the non-performing exposures, the Group is exposed to the risks associated with a further deterioration of such exposures. Notwithstanding the assessment of the non-performing loans portfolios carried out by the Group, an unexpected deterioration in the quality of the assets could derive also from a further deterioration of the generalised economic situation, the average length of judicial and/or enforcement proceedings before the Italian courts or the reference sector of the customers of the Group.

Thus, a further deterioration in credit quality and the consequent significant increase of non-performing loans due to the borrowers' reduced ability to meet their repayment obligations may adversely affect the Issuer's liquidity position by increasing the relevant provisions and the funds required to cover non-performing loans, which would in turn adversely affect the ability to finance through the Issuer's own funds and its results of operations, business and financial condition.

Credit risk could be further negatively impacted by economic impacts related to the geopolitical tensions, which could lead to a deterioration of the credit portfolio with an increase in non-performing exposure and further impairment deriving from write-downs and depreciations of assets and a lower demand for credit services and savings products with potential negative effects on the activities, business perspectives and economic and financial situation of the Issuer and/or the Group.

In order to verify the quality of the receivables portfolio, the Issuer has implemented credit monitoring and management procedures through the adoption of detailed and accurate risk management methodologies, assessments and processes, which, however, may be ineffective in some cases and lead to a material adverse effect on the Issuer's business, results of operations and financial condition.

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

The Issuer is subject to capital adequacy guidelines. The capital adequacy evaluation under a regulatory perspective is based on the constant monitoring of their own funds, the risk-weighted assets, as well as on the comparison with the minimum regulatory requirements and the additional capital buffers provided for by the applicable legislative provisions.

On 15 January 2025 following the results of the SREP performed by the Bank of Italy, the Issuer received the final capital decision regarding the regulatory capital requirements to be complied with, at a consolidated basis, starting from 31 March 2025 (**2025 Capital Decision**). Based on the above 2025 Capital Decision, the Issuer is required to meet on a consolidated basis both a minimum CET1 Ratio of 8.20%, a minimum Tier1 Ratio of 10.20% and a minimum Total Capital Ratio of 12.70% (**2025 Overall Capital Requirements**). These 2025 Overall Capital Requirements include both the Total SREP Capital Requirements (TSCR – sum of the minimum capital requirements and the Pillar 2 Requirements) and the Capital Conservation Buffer (2.50%).

The 2025 Overall Capital Requirement in terms of CET 1 ratio, that amount at 8.20%, is the sum of the minimum capital requirement set out under the CRR (4.5%), the Pillar 2 Requirement (1.20%) and the Capital Conservation Buffer (2.50%). The latter must be added with the Systemic Risk Buffer, which has been set by the Bank of Italy at 1% of risk-weighted credit and counterparty exposures to Italian residents with a impact on the Group capital requirements of 73 bps as at 30 June 2025 (76 bps as at 30 September 2025). This buffer has been implemented gradually, with 0.5% of the relevant exposures to be constituted by 31 December 2024, and the remaining 0.5% by 30 June 2025.

Furthermore, in order to ensure that the Group is able to meet the minimum capital requirements under stress scenarios, the Bank of Italy set a Target Component (Pillar 2 Guidance – "P2G") at 2%, effective on each capital ratio.

With regard to the Leverage Ratio, the Bank of Italy expect that the Group continuously maintain an overall level of the indicator equal to 3.5%, composed of a Total SREP Leverage Ratio Requirement ("TSLRR") of 3% and a Target Component ("P2G-LR") against a potential increased risk exposure under stress scenarios of 0.5%.

On 19 March 2026 following the result of the SREP performed by the Bank of Italy, the Issuer received the final capital decision regarding the regulatory capital requirements to be complied with at a consolidated basis, starting from 31 March 2026 (**Capital Guidance**). Based on the above Capital Guidance, the Issuer is required to meet on a consolidated basis both a minimum CET1 Ratio of 8.20%, a minimum Tier 1 Ratio of 10.20% and a minimum Total Capital Ratio of 12.70% (**2026 Overall Capital Requirements**). These 2026 Overall Capital Requirements include both the Total SREP Capital Requirements (TSCR – sum of the minimum capital requirements and the Pillar 2 Requirements) and the Capital Conservation Buffer (2.50%).

The 2026 Overall Capital Requirement in terms of CET 1 ratio, that amount at 8.20%, is the sum of the minimum capital requirement set out under the CRR (4.5%), the Pillar 2 Requirement (1.20%) and the Capital Conservation Buffer (2.50%). The latter must be added with the Systemic Risk Buffer, which has been recently reconfirmed by the Bank of Italy at 1% of risk-weighted credit and counterparty exposures to Italian residents with an impact on the Group capital requirements of 73 bps as at 31 December 2025.

Furthermore, in order to ensure that the Group is able to meet the minimum capital requirements under stress scenarios, the Bank of Italy set a Target Component (Pillar 2 Guidance – "P2G") at 4.5%, effective on each capital ratio. The P2G ratio applicable as of 31 March 2026 has been increased by 250 bps compared to the P2G ratio previously applicable to the Issuer.

For more information about the P2G envisaged by the Capital Guidance and expected implementation timing, please refer to "*The Group may not meet the new P2G target levels relating to its Tier 1 capital ratio within the timeframe required by the Supervisory Authority*" below.

With regard to the Leverage Ratio, the Bank of Italy expects that the Group continuously maintains an overall level of the indicator equal to 3.5%, composed of a Total SREP Leverage Ratio Requirement ("TSLRR") of 3% and a Target Component ("P2G-LR") against a potential increased risk exposure under stress scenarios of 0.5%.

For more information about the capital adequacy requirements applicable to the Issuer see section "*Description of the Issuer*", paragraph headed "*Regulatory framework*" and paragraph headed "*Capital Ratio*".

Noteholders should consider that supervisory authorities may impose further requirements and/or buffers for the purpose of capital adequacy requirements or may adopt interpretation approaches of the legislation governing prudential fund requirements unfavourable to the Issuer, with the consequent inability of the Issuer to comply with the requirements imposed and with a potential negative impact, even material, on the business and capital, economic and financial conditions of the Issuer, which may give rise to the need to adopt further capital enhancement measures and/or limitations on Issuer's distributions.

Furthermore, the evaluation of the capital adequacy level is affected by various factors, among which is the need to deal with the impact of new and potentially stricter requirements under a regulatory standpoint announced by the EU regulator, the need to support functional plans for a swifter reduction of the stock of non-performing loans and/or the assessment of market scenarios which could be particularly challenging and which could require adequate capital resources to support the level of assets and investments of the Issuer with potential limitations on the operation of the Issuer.

It cannot be excluded that, in the future, the Issuer may be required, also in light of external factors and unforeseeable events outside of its control and/or after further requests by the supervisory authority, to undertake capital enhancement interventions; also, the Issuer may not be able to achieve in the prescribed timeframes and/or maintain (both at individual and consolidated level) the minimum capital requirements required by the legislation in force from time to time or established from time to time by the Relevant Authority, thereby potentially causing a material negative impact on the business and capital, economic and financial condition of the Issuer.

The Group may not meet the new P2G target levels relating to its Tier 1 capital ratio within the timeframe required by the Supervisory Authority

On 19 December 2025, the Bank of Italy issued a new Capital Guidance (as defined above) which introduced, effective from 31 March 2026, updated capital levels in terms of Pillar 2 Guidance ("**P2G**"), including an increase of 250 basis points in the target component. This add-on was specifically required by the Bank of Italy to address uncertainty relating to the evaluation and execution of the Group's investments in the so-called "green sector".

A simulation carried out on the actual data as at 31 December 2025 – presented to the Board of Directors of the Issuer in February 2026 – revealed a capital profile of the Group which, compared to the P2G of subsequent application, is capacious at the CET 1 and Total Capital level, against a shortfall at the "TIER 1" level of approximately €6 million, equal to 29 bps.

In the Capital Guidance, the Authority required the achievement of the new target capital levels (P2G) "*within a maximum period of 1 year*" and, in this context, the Group prepared and transmitted to the Bank of Italy a realignment plan based on the assumptions of the Business Plan.

For more information about the capital adequacy requirements applicable to the Issuer see section "*Description of the Issuer*", paragraph headed "*Regulatory framework*" and paragraph headed "*Capital Ratio*".

There can be no assurance that the Group will be able to achieve the new P2G target levels within the required timeframe, or at all. The Group's ability to meet these targets depends on a number of factors, including (i) the successful execution of its realignment plan, (ii) the orderly reduction of its exposure to green sector investments, (iii) the performance of the Group's business in line with the Business Plan assumptions, (iv) acquisition or disposal of assets or business; and (v) general market conditions and macroeconomic developments. If the Group fails to achieve the P2G target levels within the timeframe required by the Bank of Italy, or if it fails to maintain such levels on an ongoing basis, the Bank of Italy may impose additional requirements, restrictions or measures on the Group, which could include limitations on distributions, requirements to undertake additional capital enhancement measures, and/or other supervisory actions. Any of the foregoing could have a material adverse effect on the Issuer and/or Group's business, financial condition and results of operations, as well as on the Issuer's ability to make payments of interest on, or principal of, the Notes.

Operational risk

The Group's activities require, among other things, a capacity to carry out transactions efficiently and accurately, in compliance with the regulations applicable. In carrying out its business, the Group is exposed to operational risk, namely the risk of losses arising from shortcomings, malfunctioning or weaknesses in internal procedures, human resources and systems or due to external factors. It includes losses deriving from fraud, human error, operating breakdowns, system unavailability, contractual defaults and natural disasters. It does not include strategic or reputation risks but it does include legal risk (*i.e.*, the risk created by violations or non-compliance with laws and regulations or scant transparency about the rights and obligations of counterparties in a transaction) and conduct risk (*i.e.*, the risk of losses resulting from the inappropriate supply of financial services and the resulting litigation costs, including wilful or negligent conduct).

As at 31 December 2025, gross losses due to operating risk amounted to €247,972.00 (as compared to €2.1 million as at 31 December 2024) and the amount of funds that the Issuer had allocated to cover such operational risk, calculated in accordance with the applicable supervisory provisions, amounted to €23,426,086, which corresponds approximately to 6.2% of the Issuer's own funds.

At the date of these Listing Particulars, the operational risk mitigation and containment strategies implemented by the Issuer are such as to limit the possible negative effects and are not considered to have a significant impact on its solvency.

With reference to capital requirements in respect of operational risks, the Issuer adopts the basic method ("**Basic Indicator**" or "**BI**"). On the basis of such method, the capital requirement in respect of operation risks is measured by the Issuer applying the regulatory coefficient of 12% to an indicator of the volume of business operations identified in the relevant indicator established by article 314 of Regulation 573/13 (CRR). In order to measure the capital requirement for operational risk, the average value of the relevant indicator over the last three years (if positive) is therefore weighted with the coefficient indicated above.

The Issuer's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic market environments or against all types of risks (especially those due to potential exogenous factors such as external and internal fraud), including that the Issuer may fail to identify or anticipate such risks, and any failure or weakness in these systems could adversely affect the Issuer's and the Group's financial performance and business activities.

The anti-money laundering and anti-terrorism policies of the Group may be circumvented or not be sufficient

The Group is also subject to the risk of money laundering and financing of terrorism. Although the Issuer believes that its policies and procedures comply with applicable rules and regulations, the Issuer cannot guarantee that its anti-money laundering and anti-terrorism financing policies and procedures will not be circumvented or effectively be able to prevent all money laundering or terrorism financing activities. Any of such events may have severe consequences, including sanctions, fines and, notably, reputational consequences, which could have a material adverse effect on the Issuer's and the Group's results of operations, financial condition and ability to meet payment obligations under the Notes.

Risk deriving from climate change

Climate change is a material risk with possibly more limited effects over the short term, however potentially catastrophic over the long term. The Group is subject to the following risks associated with climate change:

(i) physical risk could lead to increased credit exposure and companies with business models not aligned with the transition to a low-carbon economy may face a higher risk of reduced corporate earnings and business disruption due to new regulation or market shifts;

(ii) transition risk denotes the financial loss that an institution may incur, directly or indirectly, as a result of the adjustment process to a low-carbon and more environmentally sustainable economy. This could be caused, for example, by the relatively sudden adoption of climate and environmental policies, technological progress, or changing market confidence and preferences. Transition risk might affect the value of the Group's investments linked to activities, sectors or countries having a high carbon footprint. This risk may also manifest as reputational risk resulting from trade relations with companies in the coal sector. As a result, the policies put in place by the Group may not be fully effective in mitigating the Group's exposure to transition risk or against all risks falling into this category, including risks that the Group fails to identify or anticipate due to the high degree of uncertainty, such as political, social and market dynamics and technological changes; and

(iii) market changes in the most carbon-intensive sectors could affect energy and commodity prices, corporate bonds, equities and certain derivatives contracts. Increasing frequency of severe weather events could affect macroeconomic conditions, weakening fundamental factors such as economic growth, employment and inflation.

Following the adoption of the Paris Agreement on climate change and the United Nations 2030 Agenda for Sustainable Development in 2015, governments are taking steps to transition to more circular and low-carbon economies on a global scale. Moreover, the Regulator - both at the European level (ECB and EBA) and at the national level (Bank of Italy) - has significantly accelerated the approaches required of banking players to identify and manage risks arising, *inter alia*, from climate and environmental issues.

Therefore, the credit institutions should frame climate and environmental risks as part of a strategic, comprehensive and forward-looking approach.

As of the date of these Listing Particulars, the Group does not expect that the climate-related risks to which it is exposed have consequences on the impairment or fair value of the assets. Therefore, it cannot be excluded that the possible development of models capable of more fully factoring in climate and environmental risks may result in different valuations.

Risks related to deferred tax assets

Deferred Tax Assets ("**DTA**") probability of recovery is based on reasonable income forecasts that can be inferred from strategic and forward-looking plans approved by the Board of Directors, also taking into account that, for Corporate Income Tax ("**IRES**") purposes, the legislation provides for the carrying forward of tax losses without any time limit. Therefore, adverse changes in income forecasts could result in DTA write-off for irrecoverability.

DTAs are recognised in the consolidated financial statements of the Group, according to the accounting standard IAS 12, for a total of €47,119,572 at 31 December 2025, of which €410,378 at 31 December 2025 available for conversion to tax credits, pursuant to Law n. 214 of 22 December 2011 and Law n. 147 of 27

December 2013 (the 2014 Stability Act).

Although it does not define a time period within which to evaluate the recoverability of the DTAs, the accounting principle International Accounting Standard ("**IAS**") 12, for which the European Securities Markets Authority ("**ESMA**") provided specific guidelines on 15 July 2019, specifies that the longer the forecast on future income extends, the greater the unforeseen events and circumstances, beyond the company's control, which will impact the reliability of the forecasts on future taxable income. On this point, ESMA therefore recommends the production of a specific and detailed disclosure within the financial statement document reporting the greatest possible level of detail in relation to the significance of the DTAs and the estimates used with regard to their recognition.

Furthermore, the recoverability of all DTAs could be negatively affected by changes in current tax legislation, which are currently unforeseeable, resulting in a possible write-off for the Group.

Risks related to litigation and legal and tax proceedings

In the course of its ordinary business, the Issuer and the companies of the Group may be involved in disputes and litigation with European authorities, public authorities, supervisory authorities, tax authorities, competitors, employees, customers and other parties, which could result in restitution and compensation obligations for the Issuer.

The Issuer considers that it has made provision in its consolidated financial statements to cover the possible losses that could arise from legal proceedings or other pending disputes.

The accounting provisions (*accantonamenti*) are determined according to the estimated risk of a negative outcome of the relevant proceedings, based on the Issuer or the relevant members of the Group's assessment in accordance with applicable law and regulatory provisions, and in accordance with the Group's policies and procedures. A provision is recognised when and only when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount of any such accounting provision, if any, is then determined as the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

The accounting provisions (*accantonamenti*) are periodically reviewed on the basis of the progress of the relevant proceedings.

Accordingly, the liabilities that may be incurred as a consequence of legal and tax proceedings are uncertain and provisions made, if any, may be insufficient to fully cover any charges, expenses, or sanctions as well as damages associated with such proceedings. The Issuer and the Group may in the future be called to pay compensation and restitution costs not covered by provisions, with a potential negative impact on the business and the economic, capital and/or financial condition of the Issuer and the Group.

Furthermore, while carrying out their ordinary business, the Issuer may be subject to inspections by the supervisory authorities that may give rise to requests for organisational interventions and enhancement of safeguards aimed at remedying any deficiencies found. The results of such inspections may lead to sanctioning proceedings against the relevant company's representatives and employees and, as a consequence thereof, compensatory requests, fines imposed by supervisory authorities, other sanctions and/or reputational damage.

Litigation and regulatory proceedings are inherently unpredictable. Legal or regulatory proceedings in which the Issuer and/or any member of the Group is or comes to be involved (or settlements thereof) may adversely affect the Issuer's and the Group's results of operations and/or financial condition.

For more information about the legal and tax proceedings see section "*Description of the Issuer*", paragraph headed "*Legal proceedings*".

Interest rate and price risks

Fluctuations in interest rates in Italy affect the Issuer's and the Group's financial performance. The results of the Issuer's and the Group's banking operations are affected by their management of interest rate sensitivity and, in particular, changes in market interest rates. A mismatch of interest-earning assets and interest-bearing liabilities in any given period, which tends to accompany changes in interest rates, may have a material effect on the Issuer's and the Group's financial condition and results of operations. Rising interest rates in line with the yield curve can increase the Issuer's and the Group's cost of funding at a higher rate than the yield on its assets, due (for example) to a mismatch in the maturities of its assets and liabilities that are sensitive to interest rate changes or a mismatch in the degree of interest rate sensitivity of assets and liabilities with similar maturities. At the same time, decreasing interest rates can also reduce the yield on the Issuer's and the Group's assets at a rate which may not correspond to the decrease in the cost of funding.

The Group calculates the exposure to interest rate risk on the banking book according to the method as indicated by the supervisory regulations (see Circular No. 285 - Title III, Chapter 1, Annex C). The calculation is carried out by subdividing assets and liabilities into time bands, determining the net exposure for each bracket and applying an interest rate shock to each of them (determined using the 1st and 99th percentile methodology of the historical series of long-term rates and applying the additional shock scenarios in line with EBA/GL/2022/14, as indicated by Circular No. 285), which multiplied by the approximate modified duration is indicative of the variation in value of the individual items sensitive to interest rate risk.

The method adopted for risk calculation is that of the simplified system for measuring the internal capital against such risk, as indicated by the supervisory regulations (simplified methodology provided for in Annexes C and C-bis of Circular No. 285). The method takes the form of classifying assets and liabilities into time bands based on their residual life (fixed-rate assets and liabilities) or the date of interest rate renegotiation (floating-rate assets and liabilities), the weighting of net positions within each band, to the sum of the weighted exposures of the different bands, and to the determination of the indicator of riskiness (ratio of weighted net exposure to own funds).

The Group, regardless of the methodology used to calculate internal capital under ordinary/stress conditions, always assesses the impact of a hypothetical change in rates in prudential shock scenarios applied to interest rates, in order to verify that the reduction in economic value does not exceed 15% of Tier 1 capital and that, in the case of interest margin analyses, there is no decrease in one year in net interest income by more than 5 % of its Tier 1 capital (both the so-called "Supervisory Outlier Test").

A significant change in interest rates may have a negative impact on the value of the assets and liabilities held by the Issuer and the Group and, consequently, on the operating result and capital and/or financial position of the Issuer and the Group.

Liquidity risks

Liquidity risk refers to the risk that an issuer may be unable to fulfil its obligations when they become due. This risk includes the possibility that the company is unable to meet its payment commitments due to its inability to raise financial resources at market costs (funding liquidity risk) or to an inability to liquidate its own assets without incurring capital losses (market liquidity risk). This occurs when internal (specific crisis) or external (macroeconomic conditions) events result in the Issuer having to deal with a sudden reduction of available liquidity or with a sudden need to increase the funding. Liquidity risk also includes the risk of having to meet payment obligations at non-market conditions, *i.e.*, incurring high funding costs and/or capital losses in the event of asset divestment. The main sources of the Issuer's liquidity risk are related to its core activities of collecting savings and granting loans.

The liquidity position of the Group may be prejudiced by a number of factors that are also outside of its control. These relate to both the macroeconomic/regulatory context in which it operates and the specific situation of the Group itself. Such factors may determine the impossibility of accessing capital markets through the issuance of debt securities, the inability to receive funds from counterparties which are external to the Group, unexpected cash outflows, devaluation of certain assets and/or the inability to liquidate them.

The Group monitors its liquidity levels to ensure its short-term structural stability, finance its growth and mitigate its liquidity risk.

The Group has adopted a funding diversification strategy that gives it access to a wide variety of sources of funds and a funding mix to avail itself of the best long-term market conditions. Its main source of funds consists of retail customers' deposits, but, at the same time, it has access to other sources, including the interbank market and the repurchase agreement market. Accordingly, its funding is diversified by product, investor and maturity. This diversification is essential to ensure the sound and prudent management of liquidity risk.

Despite the above measures put in place by the Group, it cannot be ruled out that unknown and unexpected events might occur which could negatively affect the Group's operations and its ability to meet its financial obligations.

Risks relating to non-compliance with laws and regulations

The Issuer, to the extent that it exercises the banking activity, is subject to regulation and specific supervision of the Bank of Italy, the ECB, and CONSOB; furthermore, the Issuer is also subject to regulation and specific supervision of other national authorities, competent for specific regulations.

In the exercise of their supervisory powers, the Bank of Italy, the ECB, and CONSOB and the other supervisory authorities may request organizational controls aimed at remedying any possible deficiencies found that may have a negative impact on the economic, capital and/or financial condition of the Issuer and the Group. The extent of any such potential deficiencies may also determine the start of sanctions proceedings against the Issuer and/or representatives of the Issuer, with possible negative impacts on its economic, capital, reputational and/or financial conditions. In the most serious cases, the supervisory authority may suspend or revoke the Issuer's authorisations, licences or concessions, or prohibit it from conducting its business or from advertising its services. Any of the above scenarios could have a material adverse effect on the Issuer's business activities and financial performance which, in turn, may affect its ability to meet its payment obligations under the Notes. Furthermore, sanctioning proceedings may have significant reputational impacts on the Issuer and the Group, with a consequent potential negative impact on the business and the economic, capital and/or the financial condition of the Issuer and the Group.

In light of the above, the Issuer may find itself in the future, also in light of external factors and unforeseeable events outside of its control, having to acknowledge failed compliance with qualitative requirements, with the consequent need to comply with further requests of the supervisory authorities as well as the failure to comply with quantitative requirements set by such authorities.

The Issuer provides frequent and regular information to the supervisory authorities on its strategic, business and operational activities.

Risks relating to the Business Plan

In April 2026, the Board of Directors of the Issuer approved the Business Plan, as updated from time to time.

For further information please see section "*Description of the Issuer*", paragraph headed "*Business Strategy*". The Issuer's ability to meet its strategic objectives depends on a number of assumptions and circumstances, some of which are outside the Issuer's control, including those related to developments in the macroeconomic and political environments in which the Issuer operates, developments in applicable laws and regulations and assumptions related to the effects of specific action or future events which the Issuer can only partially manage. Any failure to implement the strategic objective or meet the strategic objective may have a material adverse effect on the Issuer's and the Group business, financial condition or results of operations.

Risks relating to the competition in the banking and financial sector

The Issuer operates in a competitive market context and is accordingly exposed to risks deriving from the competitive pressure of the market. Those risks are connected in particular to: (i) the implementation of EU directives aimed at strengthening and harmonising the EU banking sector; (ii) the evolution of customer needs; (iii) the dissemination of technological innovations also introduced by fintech companies; (iv) new incumbent players; (v) the trend of the Italian banking industry focused on revenues from fees, which leads to increased competition in asset management and investment banking services; and (vi) other factors not necessarily under the Issuer's control.

The increasing competition level in the Italian banking sector, together with the low level of interest rates, has caused a sharp reduction in the difference between borrowing and lending rates and subsequent difficulties in maintaining a positive growth trend in the interest rate margin. In particular, such competition has had two main effects. Firstly, a progressive reduction in the differential between lending and borrower interest rates, which may make it challenging for the Group to maintain its rate of growth in interest rate margins, and secondly, a progressive reduction in commissions and fees due to competition on prices.

There is no assurance that the Issuer will always be able to compete successfully in the future against existing or potential competitors. Therefore, should the Issuer be unable to adequately deal with competitive pressure, there could occur a reduction of the Issuer's profitability.

Risk related to the development and change in banking sector regulation

The Issuer is subject to complex and strict regulations at an individual and/or consolidated basis, as well as to the supervisory activity performed by the relevant authorities (in particular, the Bank of Italy and CONSOB). The aforementioned supervisory activities are subject to continuous updates and developments in laws, regulations, guidelines and practices. The Issuer is subject, in addition to the supranational and national rules and the primary or regulatory rules of the financial and banking sector, to specific rules on, *inter alia*, anti-money laundering, usury, data protection and consumer protection. Although the Issuer undertakes to comply with such rules and regulations, any changes of the rules and/or changes of the interpretation and/or implementation of the same by the Relevant Authority could give rise to new burdens and obligations for the Issuer, with possible negative impacts on the operational results and the economic and financial situation of the Issuer.

Moreover, the Issuer faces the risk that the Relevant Authority may find it has failed to comply with applicable regulation and any such regulatory proceedings could result in adverse publicity for, or negative perceptions regarding, the Bank, which could lead to a reputational damage for the Issuer and the Group. In addition, any significant regulatory action against the Issuer could lead to financial losses as a result of regulatory fines, reprimands or litigations, and, in extreme scenarios, to the suspension of operations or even withdrawal of authorizations, thus having a material adverse effect on the Issuer's and the Group's business, results of operations and its financial conditions, or even its ability to run its ordinary business, which would be reflected in the Group's consolidated results.

Furthermore, any material and unforeseeable change in the laws or regulations of the European Union and/or Italy impacting on the status of the Notes or the application thereof may in certain circumstances result in the Issuer having the discretion to early redeem the Notes in whole and, in certain circumstances to the extent permitted by law, in part. In any such case, the Notes (or part thereof) would be cancelled, which could materially and adversely affect investors and frustrate investment strategies and goals.

Such legislative and regulatory uncertainty could affect an investor's ability to value the Notes accurately and therefore affect the market price of the Notes given the extent and impact on the Notes of one or more regulatory or legislative changes.

In particular, the Issuer must comply with the revised global regulatory standards ("**Basel III**") on bank capital adequacy and liquidity, which impose requirements for, among other things, higher and better quality capital, better risk coverage, measures to promote the build-up of capital that can be drawn down in periods of stress and the introduction of a leverage ratio as a backstop to the risk-based requirement as well as two global liquidity standards, in terms of banking prudential regulations. The introduction of new regulations may require the Issuer to comply with new capital and liquidity requirements and standards that are not foreseeable by the Issuer at this time. Moreover, the Issuer faces the risk that the Relevant Authority may find it has failed to comply with the applicable capital and liquidity requirements and/or guidance and this could restrict or limit the type or volume of transactions in which the Issuer may participate and/or have potential negative impact on the business, capital, economic and financial condition of the Issuer, their credit ratings and funding conditions and, in extreme scenarios, could lead to the suspension of operations or even withdrawal of authorizations, thus having a material adverse effect on the Issuer's and the Group's business, results of operations and financial conditions, which would be reflected in the Issuer's and Group's consolidated results. In addition, the Relevant Authority, can and does impose on the Issuer, as permitted by such rules, additional requirements with respect to its capital, which may restrict the Issuer's operational flexibility and may, should it fail to meet such requirements, require the Issuer to adopt additional measures imposed by Relevant Authority.

In addition, the Issuer is subject to the EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**") introduced requirements for banks to maintain at all times a sufficient aggregate amount of minimum requirement for own funds and eligible liabilities (the "**MREL**"). Under the BRRD, where an entity fails to meet its combined buffer requirement when considered in addition to its minimum requirement for own funds and eligible liabilities, resolution authorities have the power to prohibit certain distributions. The Relevant Authority may furthermore exercise its supervisory powers in case of breach of the minimum requirement for own funds and eligible liabilities. As a result, the powers set out in the BRRD and the application of the MREL requirement will impact the management of credit institutions and investment firms as well as, in certain circumstances, the rights of creditors, including holders of Notes.

Moreover, on 20 April 2026, the CMDI Package has been published in the Official Journal of the European Union. Unless otherwise stated in the pieces of legislation the CMDI Package consists of, most of these provisions will become enforceable (and / or shall be transposed into national law) by 11 May 2028.

Once the CMDI Package is fully implemented and transposed in the European Union, the regulatory changes brought by these pieces of legislation will impact on the entire banking system and consequently could determine changes in the capital calculation and capital requirements, which at the date of these Listing Particulars cannot be entirely quantified. These regulatory changes will impact on the entire banking system and could determine changes in the capital calculation and increase capital requirements. However, as of the date of these Listing Particulars, the CMDI Package has not yet become enforceable nor has been transposed by the EU Member States, and it is not yet clear how and to what extent this legislative package may impact on the operations of the Issuer and/or the Group.

Lastly, it should be noted that the broader EU financial regulatory framework is currently under review. In particular, on 11 February 2026, the European Commission launched a consultation on the competitiveness of the EU banking sector. The initiative seeks feedback, inter alia, on the functioning of the single market and the Banking Union, as well as on ways to simplify and enhance the effectiveness of the regulatory and supervisory framework applicable to banks. Although the outcome of this process remains uncertain it may result in further legislative, regulatory and supervisory developments affecting the Issuer and broadly the banking sector.

For a description of the main regulatory provisions applicable to the Issuer, see section "*Description of the Issuer*", paragraph headed "*Regulatory framework*".

Risks associated with ECB guidance on NPL provisioning

The definition of default is provided under Article 178 of CRR that specifies the definition of default of an obligor. In this regard, Article 178 of the CRR mandates the EBA to detail guidelines on the application of the definition of "default". Consequently the "Guidelines on the application of the definition of default under

Article 178 of Regulation (EU) No 575/2013" (the "**New DoD**") ruled all provisions related to the application of the definition of default of an obligor. The EBA has identified differing practices used by institutions as regards the definition of default and provided detailed clarifications on the application of the definition of default, which includes aspects such as the days past due criterion, indications of unlikeliness to pay, conditions for a return to non-defaulted status, application of the default definition in a banking group and specific aspects related to particular exposures (*e.g*., public exposures, factoring exposures). Currently, the framework provided by the New Dod is under consultation and could be changed in the following years according to the consultation results.

On 20 March 2017, the ECB published its final guidance on NPLs. It outlines measures, processes and best practices which banks should incorporate when tackling NPLs. The ECB expects banks to fully adhere to the guidance in line with the severity and scale of NPLs in their portfolios. On 15 March 2018, the ECB published an addendum to the guidance mentioned above, which sets out the ECB's supervisory expectations for prudent levels of provisions for new NPLs. On 30 January 2018, the Bank of Italy issued guidance on NPLs applicable to less significant Italian institutions.

The ECB guidance calls on banks to implement realistic and ambitious strategies to work towards a holistic approach regarding the problem of NPLs. This includes areas such as governance and risk management. For instance, banks should ensure that managers are incentivised to carry out NPL reduction strategies. This should also be closely managed by their management bodies. The ECB does not stipulate quantitative targets to reduce NPLs. Instead, it asks banks to devise a strategy that could include a range of policy options, such as NPL work-out, servicing and portfolio sales.

The ECB guidance is applicable as of its date of publication and is non-binding in nature. However, banks should explain and substantiate any deviations upon supervisory request. This guidance is taken into consideration in the SRM regular SREP and non-compliance may trigger supervisory measures. To this end, the EU Regulation no. 2019/630 of the European Parliament and of the Council of 17 April 2019 amending CRR as regards minimum loss coverage for non-performing exposures has been adopted and introduces a "statutory prudential backstop" to prevent the risk of under provisioning of future NPLs. In case of breach of the minimum loss coverage requirements, the Issuer will be required to deduct short-fall from its own funds.

The ECB guidance does not intend to substitute or supersede any applicable regulatory or accounting requirement or guidance from existing EU regulations or directives and their national transpositions or equivalent, or guidelines issued by the EBA. Instead, the guidance is a supervisory tool with the aim of clarifying the supervisory expectations regarding NPL identification, management, measurement and write-offs in areas where existing regulations, directives or guidelines are silent or lack specificity. Where binding laws, accounting rules and national regulations on the same topic exist, banks should comply with those. It is also expected that banks do not enlarge already existing deviations between regulatory and accounting views in the light of this guidance, but rather the opposite: whenever possible, banks should foster a timely convergence of regulatory and accounting views where those differ substantially.

Finally, on 19 December 2025, the ECB published the Guidelines (EU) 2025/2595 that set supervisory coverage expectations for NPL held by less significant institutions, with the aim of providing national authorities with an harmonised supervisory approach for legacy NPLs - i.e., exposures originated before 26 April 2019 and therefore outside scope of the deduction requirement for NPEs under Pillar 1. The level of the supervisory coverage expectations set out in the Guideline is quantitatively aligned with the coverage rules enshrined in the Pillar 1 deduction requirement. This ensures that all NPEs held by the LSIs in scope are subject to consistent coverage expectations once they reach a given vintage, irrespective of their date of origination. However, unlike the deduction requirement under CRR which applies automatically, the NCAs will assess the coverage of NPLs of LSIs on a case-by-case basis considering specificities of each individual bank during their Pillar 2 review. The approach will be phased in by reference to the situation as at 31 December 2025, permitting national to disregard deviations in the first year and full application envisaged from 31 December 2028.

Moreover, on 24 July 2020, the European Commission presented amendments to review, *inter alia*, some regulatory constraints in order to facilitate the securitisation of NPLs (*i.e.*, increasing the risk sensitivity for non-performing exposures securitisations by assigning different risk weights to senior tranche) in order to promote the economic recovery after the COVID-19 crisis. The new measures entered into force on 9 April 2021.

In addition, the European Commission published in December 2020 a new action plan on tackling NPLs. In more detail, in order to prevent a renewed build-up of NPLs on banks' balance sheets, the Commission proposed a series of actions with four main goals: (i) further develop secondary markets for distressed assets (in particular call for finalisation of the Directive on credit servicers, credit purchasers and the recovery of collateral; establishing a data hub at European level; reviewing EBA templates to be used during the disposal of NPLs); (ii) reform the EU's corporate insolvency and debt recovery legislation; (iii) support the establishment and cooperation of national asset management companies at EU level; and (iv) introduce precautionary public support measures, where needed, to ensure the continued funding of the real economy under the EU's BRRD and State aid frameworks. As a result, the European Commission published on 18 October 2022 the Communication on the guidelines for a best-execution process for sales of non-performing loans on secondary markets. The main objectives of such communication are to (i) encourage good sell and buy-side processes for NPL transactions in EU secondary markets and, in particular, (ii) help sellers and buyers that may have less experience with secondary market transactions throughout the sale process.

To further improve the transparency and efficiency of the secondary market for NPLs, on 16 June 2021 the European Commission initiated a public consultation aimed at identifying and gathering information on remaining obstacles to the proper functioning of secondary markets for NPLs as well as possibly enabling actions that could be taken to foster these markets by improving the quantity, quality and comparability of NPL data. The public consultation ended on 8 September 2021. On 8 December 2021, the European Commission finalised and published, in the Official Journal of the European Union, Directive no. 2021/2167 on credit services and credit purchasers (the "**NPLs Directive**"). The NPLs Directive is aimed at achieving (i) a better management of NPLs by increasing the efficiency of debt recovery procedures through the availability of a distinct common accelerated extrajudicial collateral enforcement procedure ("**AECE**"); (ii) the development of secondary markets for NPLs in the EU's markets by harmonising the regulatory regime for credit servicers and credit purchasers. The NPLs Directive entered into force on the twentieth day following that of its publication in the Official Journal (*i.e.*, 28 December 2021) and was transposed into Italian law through Legislative Decree No. 116 of 30 July 2024. The transposition process was then completed on 13 January 2025, when the Bank of Italy published the "Supervisory Provisions for the Management of Non-Performing Loans". The part of the NPLs Directive related to the AECE mechanism has not been adopted yet.

On 12 December 2017, the European Parliament adopted the Regulation (EU) 2017/2402 ("**EU Securitisation Regulation**") which has applied from 1 January 2019. The EU Securitisation Regulation creates a single set of common rules for European "institutional investors" (as defined in the EU Securitisation Regulation) as regards (i) risk retention, (ii) due diligence, (iii) transparency, and (iv) underwriting criteria for loans to be comprised in securitisation pools. Such common rules replace the relevant existing provisions in CRR, the Regulation (EU) No. 231/2013 (the "**AIFM Regulation**") and the Regulation (EU) No. 25/2015 (the "**Solvency II Regulation**") and introduce similar rules for UCITS management companies as regulated by the UCITS Directive and institutions for occupational retirement provisions falling within the scope of Directive (EU) 2016/2341 or an investment manager or an authorised entity appointed by an institution for occupational retirement provisions pursuant to article 32 of Directive (EU) 2016/2341. Secondly, the EU Securitisation Regulation creates a European framework for simple, transparent and standardised securitisations ("**STS-securitisations**").

On 24 July 2020, as part of the Capital Markets Recovery Package, the European Commission presented amendments to review, *inter alia*, some regulatory constraints in order to facilitate the securitisation of non-performing loans (*i.e.*, increasing the risk sensitivity for NPL securitisations by assigning different risk weights to senior tranche). After the approval by the European Parliament at the end of March, on 6 April 2021, the Regulation (EU) 2021/557, which introduces amendments to the Securitisation Regulation and Regulation (EU) 2021/558, amending Regulation (EU) 2013/575 as regards adjustments to the securitisation framework to support the economy recovery in response to the COVID-19 crisis were published on the Official Gazette of the European Union. Both Regulations entered into force on 9 April 2021. Under article 46 of the EU Securitisation Regulation, the European Commission published a report on 10 October 2022 outlining a number of areas where legislative changes may be introduced in due course, which was followed in December 2023 by the consultation of the European Securities and Markets Authority on the possible options for introducing reforms to the EU reporting regime. Finally, on 17 June 2025, the European Commission presented a legislative package to amend the EU Securitisation Regulation. The proposal, among other things: (i) introduce a formal distinction between public and private securitisations. Specifically, a "public securitisation" is established to be one if it meets any of the following conditions: (a) a prospectus has to be drawn up; (b) notes constituting securitisation positions are admitted to trading in specific trading venues; (c) the securitisation is marketed generally to investors and the specific terms are not negotiable among the parties, meaning that the transactions is offered to investors on take-it or-leave-it basis. A private securitisation is one that does not meet any of the aforementioned criteria; and (ii) waive risk retention requirement in case the securitisation includes a first loss tranche that is guaranteed or held by a narrowly defined list of public entities and where that tranche represents at least 15% of the nominal value of the securitised exposures. Additionally, amendments are proposed to the CRR, introducing targeted changes to the securitisation prudential framework for banks, adjusting capital requirements so they more accurately reflect the true risks involved.

The above recently introduced guidelines and regulations, as well as other new laws and regulations that may be adopted in the future, could restrict or limit the type or volume of transactions in which the Issuer may participate and/or adversely affect the Issuer's and the Group's business, financial condition, results of operations and cash flows.

Market risk

The Issuer and the Group are exposed to market risk. Market risk is attributable to the effect that changes in market variables (interest rates, securities prices, exchange rates, etc.) can generate on the economic value of the Issuer's portfolio, which includes both assets held in the trading portfolio and assets recorded in the banking portfolio, or operations connected with the typical management of a commercial bank, with potential negative effects on the same economic value.

Risk deriving from potential breaches and/or inadequacy of the Issuer's organisation and management model

Pursuant to Italian Legislative Decree No. 231 of 8 June 2001 (the "**231 Decree**"), the Issuer has in place an organisational, operational and control model (the "**OO Model**").

The OO Model also includes a specific committee (the "**231 Committee**") tasked with verifying the adequacy and effectiveness of such model. The 231 Committee operates under regulations approved by the Issuer's Board of Directors and has a budget for expenses and wide powers of control and inspection at all levels.

Nonetheless, there can be no assurance that the model would be deemed to be adequate by any authority called to consider conduct which falls within the scope of such legislation.

Under the legislation, if a misconduct which falls within the scope of the 231 Decree occurred and the Issuer were found liable, the Issuer could be ordered to pay a fine and, in the most serious cases, it may have its authorisations, licences or concessions suspended or revoked, or be prohibited from conducting its business, from contracting with governmental entities or from advertising its services. Any of the above scenarios could have a material adverse effect on the Issuer's business activities and financial performance which in turn may affect its ability to meet its payment obligations under the Notes. Furthermore, possible convictions of the Issuer or other Group entities pursuant to the 231 Decree may have significant reputational impacts on the Issuer itself and the Group, with a consequential negative impact on the business and the economic, capital and/or financial condition of the Issuer and the Group.

The financial sector is increasingly dependent on technology and on tech companies to deliver financial services. This makes financial entities vulnerable to cyber-attacks or incidents. When not managed properly, ICT risks can lead to disruptions of financial services offered across borders. This in turn, can have an impact on other companies, sectors and even on the rest of the economy, which underlines the importance of the digital operational resilience of the financial sector. The Digital Operational Resilience Act ("**DORA**") establishes an EU-wide oversight framework for critical ICT (information and communication technology) third-party providers and for financial entities to ensure that the financial sector remains secure and resilient against ICT disruptions. In particular, DORA provides for a wide range of requirements in terms of: (i) internal governance and control measures that ensure effective and prudent management of ICT risk; (ii) defining, establishing and implementing measures to detect, manage, record and notify ICT-related incidents; (iii) establishing, maintaining and reviewing a sound and comprehensive digital operational testing program equipped with the necessary assessments, tests, methodologies, practices and tools; and (iv) managing third-party risk as an integral component of their overall ICT risk.

Risks deriving from the single counterparties or groups of connected counterparties

The activities of the Issuer and the exposure of its banking portfolio to counterparties and groups of connected counterparties in the same industry are subject to concentration risks that stem from the range of services currently provided.

The Issuer is mainly subject to a single-name concentration risk which occurs when the Issuer's credit portfolio shows significant levels of concentration in transactions with single counterparties or groups of connected counterparties.

High levels of concentration of transactions with single counterparties or groups of connected counterparties in the future and the deterioration of the economic situation of such parties could adversely affect the Issuer's and the Group's business, results of operations and financial position.

Risks associated with ordinary and extraordinary contribution obligations to funds established under the bank resolution framework

As a result of the crisis that has affected various financial institutions since 2008, systems aimed at stemming the risk of banking crises have been introduced at both the European and national levels, the implementation of which entails disbursements by credit institutions (in favour of the banking system as a whole).

Ordinary contributions are made to the *Fondo Interbancario di Tutela dei Depositi* ("**FITD**") and the National

Resolution Fund, which was merged in 2016 with the Single Resolution Fund ("**SRF**"), while extraordinary contributions are made to the SRF.

Ordinary contribution obligations reduce profitability and have a negative impact on the Group's capital resources and it is not possible to rule out that the level of ordinary contributions required from the Group may increase in the future. Moreover, the need to make extraordinary contributions could also increase and this would determine the need to record further extraordinary expenses which would affect the capital and financial position of the Issuer and of the Group.

In 2025, the Group contributed to the FITD in the sum of €198,182. The Single Resolution Board (SRB) has announced that no contribution is foreseen from the institutions falling within the scope of the SRF until the next verification exercise (due to take place towards the beginning of 2027), unless specific circumstances or resolution actions lead to use of the SRF.

In the event of an increase in the need for additional contributions, the Group's profitability would decrease and the level of the Issuer's and the Group's capital resources could be significantly affected and this could have a material adverse effect on the Issuer's and the Group's results of operations, financial condition and ability to meet payment obligations under the Notes.

Risks associated with compliance with data protection regulation

The entry into force of the European Regulation 2016/679 on data protection (General Data Protection Regulation, "**GDPR**") requested companies operating in the European Union to review their data protection management model in order to comply with the requirements set forth by GDPR. GDPR has introduced significant changes in the measures and procedures to be adopted to ensure the protection of personal data (including an effective privacy organizational model, the role of data protection officer and obligations to notify particular data breaches), thus increasing the level of protection of individuals and introducing, among other things, more significant sanctions applicable to data controllers and processors in the event of a breach of the GDPR provisions.

The Issuer is exposed to the risk of being involved in claims brought by individuals whose data has been processed for damages caused by (i) the breach of rules relating to data protection or (ii) the incorrect processing of such protected data. Failure to comply or maintain compliance with GDPR rules or to adapt the Issuer's risk management structure to comply with GDPR prescriptions could cause considerable damage to the Issuer and its reputation and may result in regulatory fines and litigation, which could have a material adverse effect on the Issuer's business, financial condition, results of operations or prospects.

Risks associated with systems and information technology interruption and breaches in data security

The Issuer is reliant on computer, information and communications technology and related systems, which may be subject to temporary system interruptions and delays. If the Issuer is unable to continually implement, improve and add software and hardware, effectively upgrade its systems and network infrastructure and take other steps to improve the efficiency of and protect its systems, systems operation could be interrupted or delayed or the Issuer's data security could be breached. In addition, the data supporting the Issuer's business and corporate activities need to be effectively protected, both from unauthorized access (confidentiality) and from unauthorized changes (integrity), and be made constantly available (availability). Failure to meet any of the above requirements may lead to the interruption of operations, loss of competitive advantage, vulnerability to fraud or reputational damage.

The Issuer's computer and communications systems and operations could also be damaged or interrupted by natural disasters, power loss, telecommunications failures, acts of war or terrorism, acts of God, computer viruses, physical or electronic break-ins and similar events or disruptions, including breaches by computer hackers and cyber-terrorists.

Any of these or other unpredictable events could cause system interruption, delays, loss of critical data (including private data) or loss of funds, could delay or prevent operations (including the processing of financial transactions and reporting of financial results), could result in the unintentional disclosure of information (including proprietary intellectual property), could lead to illegitimate requests for money by third parties in exchange for such third parties not disclosing information at the disposal of the Issuer following breaches by hackers and could adversely affect the Issuer's business, financial condition, results of operations or prospects.

Risks relating to the share capital increase resolved by the Board of Directors

On 11 May 2026, the Board of Directors of the Issuer resolved to carry out share capital increases, in one or more tranches, to support the Issuer's organic development as well as potential external growth opportunities, including mergers and acquisitions. Any such share capital increase remains subject to the prior authorisation of the competent supervisory authority and to the requisite corporate approvals.

There can be no assurance that the share capital increase will be executed in full, in part, or at all, or within the timeframe currently contemplated by the Issuer. The completion of the share capital increase is subject to a number of conditions, including, *inter alia*, (i) the prior authorisation of the competent supervisory authority, the granting of which cannot be assured and which may be subject to conditions or constraints; (ii) the requisite corporate approvals from the Issuer's governing bodies, including, as the case may be, shareholders' approval; and (iii) other factors and circumstances, some of which may be outside the control of the Issuer.

If any of these conditions is not satisfied, the share capital increase may not be executed or may be executed only in part. If the share capital increase is not executed or is executed only in part, for whatever reason, the Issuer may not be able to raise the capital resources that it had intended to raise, which could have an adverse effect on the Issuer's and the Group's business, financial condition, results of operations or prospects, as well as on its ability to pursue the strategic objectives underlying the contemplated share capital increase, including potential external growth opportunities and the Issuer's ability to make payments of interest on, or principal of, the Notes.

RISK FACTORS RELATED TO THE NOTES

Factors which are material for the purpose of assessing the market risks associated with the Notes

The Notes are complex instruments and may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in these Listing Particulars;

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

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including the possibility that the entire principal amount of the Notes could be lost, including following the occurrence of a Trigger Event, the exercise by the relevant resolution authority of any bail-in power or through the application of non-viability loss absorption, as further described below, and including where the currency for principal or interest payments is different from the potential investor's currency;

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

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

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

The Notes may be subject to mandatory write-down or conversion into equity under the BRRD

Investors should be aware that the powers provided to "resolution authorities" under the Directive 2014/59/EU, providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**Bank Recovery and Resolution Directive**" or the "**BRRD**") include, as an alternative to compulsory liquidation proceedings, the application of resolution tools in cases where the Issuer is failing or likely to fail. Such tools are (i) the sale of business assets or of shares of the Issuer, (ii) the establishment of a bridging institution, (iii) the separation of the Issuer's assets between unimpaired and impaired or deteriorated assets, and (iv) bail-in, which gives the resolution authority the power to write-down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims (including the Additional Tier 1 instruments such as the Notes) into shares or other instruments of ownership (the "**General Bail-In Tool"**). Any shares or other instruments issued to holders of Additional Tier 1 instruments such as the Notes upon any such conversion into equity capital instruments may also be subject to any future application of the BRRD.

Accordingly, the BRRD contemplates that Resolution Authorities may require the write down of such capital instruments and eligible liabilities in full on a permanent basis, or convert them in full into shares or other instruments of ownership. The Bank Recovery and Resolution Directive provides, *inter alia*, that resolution authorities shall exercise the write down power in a way that results in (i) CET1 instruments being written down first in proportion to the relevant losses, (ii) thereafter, the principal amount of other capital instruments (including Additional Tier 1 instruments such as the Notes) being written down or converted into CET1 instruments on a permanent basis, and (iii) thereafter, eligible liabilities being written down or converted in accordance with a set order of priority.

Investors should also be aware that, in addition to the General Bail-In Tool, the BRRD provides for Resolution Authorities to have the further power to permanently write-down / convert into equity capital instruments such as the Notes at the point of non-viability and before any other resolution action is taken (the "**non-viability loss absorption**"). Any shares issued to holders of the Notes upon any such conversion may also be subject to the application of the General Bail-In Tool.

Article 33a of the BRRD, as amended by Directive 879/2019/EU (the "**BRRD II**") introduces a new pre-resolution moratorium tool as a temporary measure in an early stage and new suspension powers, which the Resolution Authority can use within the resolution period. Any suspension of activities can, as stated above, result in the partial or complete suspension of the performance of agreements (including any payment or delivery obligation) entered into by the Issuer. The exercise of any such power or any suggestion of such exercise could materially adversely affect the rights of the holders of securities issued by the Issuer (including the Notes), the price or value of their investment in any such security and/or the ability of the Issuer to satisfy its obligations under any such security.

The powers set out in the BRRD may impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. The holders of the Notes may be subjected to write-down or conversion into equity on any application of the General Bail-In Tool and non-viability loss absorption, which may result in such holders losing some or all of their investment. The exercise of any power under the Bank Recovery and Resolution Directive, or any exercise which is suggested could, therefore, materially adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes. For the avoidance of doubt, the exercise of the resolution power by the Relevant Authority (as defined in the section "Terms and Conditions of the Notes" below) will not constitute an event of default under the Notes.

Reform of EURIBOR and other interest rate index and equity, commodity and foreign exchange rate index "benchmarks" may impact the calculation of the 5-year Mid-Swap Rate and may adversely affect the value and return of the Notes

The 5-year Mid-Swap Rate used to calculate the Reset Rate of Interest on the First Reset Date and on each subsequent Reset Date is linked to the Euro Interbank Offered Rate ("**EURIBOR**") and the annual mid-swap rate for euro swap transactions, which are deemed "benchmarks" and are the subject of recent national, international and other regulatory guidance and reform aimed at supporting the transition to robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from LIBOR), and "benchmarks" remain subject to ongoing monitoring. These reforms may cause such "benchmarks" to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes.

Regulation (EU) No. 2016/1011 (the "**EU Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of in-scope benchmarks, the contribution of input data to an in-scope benchmark and the use of an in-scope benchmark, within the EU. Among other things, it (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 (such as the Issuer) of in-scope "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) No. 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**" together with the EU Benchmarks Regulation, the "**Benchmarks Regulations**" and each, the "**relevant Benchmarks Regulation**") applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the Financial Conduct Authority (FCA) or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could also have a material impact on the Notes in any of the following circumstances:

1. any “benchmark” for determining the relevant 5-year Mid-Swap Rate could not be used as such if its administrator does not obtain appropriate EU authorisations or is based in a non-EU jurisdiction which (subject to any applicable transitional provisions) does not have equivalent regulation. In such event, the Notes could be impacted;
2. the methodology or other terms of any “benchmark” related to the Notes could be changed in order to comply with the terms of the EU Benchmarks Regulation or UK Benchmark Regulation, as applicable, and such changes could have the effect of reducing, increasing or affecting the volatility of the published rate or level of the relevant “benchmark”, and could lead to adjustments to the 5-year Mid-Swap Rate.

More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. These reforms may have the effect of discouraging market participants from continuing to administer or contribute to certain “benchmarks”, trigger changes in the rules or methodologies used in certain “benchmarks”, lead to the disappearance or unavailability of quotes of certain “benchmarks”, including EURIBOR and the annual mid-swap rate for euro swap transactions. Any of the above changes or any other consequential changes could have a material adverse effect on the value of and return on the Notes.

The Conditions provide for certain additional arrangements in the event that the Original Reference Rate (including any page on which the Original Reference Rate may be published (or any successor service)) becomes unavailable, including the possibility that the Reset Rate of Interest could be set by reference to a Successor Reference Rate or an Alternative Reference Rate determined by an Independent Adviser or failing that, by the Issuer, and that such Successor Reference Rate or Alternative Reference Rate may be adjusted (if required) by the application of an Adjustment Spread. The application of a Successor Reference Rate or an Alternative Reference Rate or an Adjustment Spread may result in the Notes performing differently (which may include payment of a lower interest rate) than they would do if the Original Reference Rate were to continue to apply in its current form. If no Adjustment Spread is determined, a Successor Reference Rate or Alternative Reference Rate may nonetheless be used to determine the Reset Rate of Interest. In certain circumstances, the ultimate fallback for calculating the Reset Rate of Interest for a particular Reset Interest Period may result in the application of the sum of the Margin and the 5-year Mid-Swap Rate that most recently appeared on the Relevant Screen Page. See also Condition 4.3 (*Fallbacks*).

In addition, due to the uncertainty concerning the availability of a Successor Reference Rate and an Alternative Reference Rate and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time. If the Independent Adviser or, as applicable, the Issuer determines that amendments to the Conditions are necessary to ensure the proper operation of the Successor Reference Rate or Alternative Reference Rate and/or Adjustment Spread or to comply with any applicable regulation or guidelines on the use of benchmarks or other related document issued by the competent regulatory authority, then such amendments shall be made without any requirement for the consent or approval of Noteholders, as provided by Condition 4.4 (*Benchmark Event*).

In making any investment decision with respect to the Notes, investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation or any of the international or national reforms and the possible application of the benchmark replacement provisions of the Notes, investigations and licensing issues.

Tax changes may affect the tax treatment of the Notes

Law No. 111 of 9 August 2023, published in the Official Gazette No. 189 of 14 August 2023 (as amended, “**Law 111**”), delegates power to the Italian government to enact, within thirty-six 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 will significantly change the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with certainty at this stage.

The information provided in these Listing Particulars may not reflect the future tax landscape accurately.

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

Prospective investors should consult their own tax advisors regarding the tax consequences described above.

Risks related to the structure of the Notes

Potential conflicts of interest of the Calculation Agent

The Calculation Agent is the agent of the Issuer and not the agent of the Noteholders. Potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgments that the Calculation Agent may make pursuant to the Conditions that may influence amounts receivable by the Noteholders during the term of the Notes and upon their redemption.

The initial Calculation Agent for the Notes is the Issuer, provided that the Issuer is entitled to appoint another person to act as Calculation Agent for the Notes or vary or terminate the appointment of any calculation agent under the terms of the relevant agency agreement in a customary form and/or appoint additional or other calculation agents and/or approve any change in the specified office through which any calculation agent acts.

Notes are of perpetual nature

The Notes have no fixed final redemption date and holders have no right to call for the redemption of the Notes. Although the Issuer may redeem the Notes in certain circumstances, there are limitations on its ability to do so. Therefore, Noteholders should be aware that they may be required to bear the financial risk of an investment in the Notes for an indefinite period of time.

The Notes are subject to optional redemption by the Issuer

The Notes are redeemable at the Issuer's option on each Optional Redemption Date (Call) pursuant to Condition 8.4 (*Redemption at the option of the Issuer (Issuer Call)*), and the Issuer may choose to redeem all, but not some only, of the Notes pursuant to such Condition 8.4 at times when prevailing interest rates may be relatively low. The Notes are also redeemable at the option of the Issuer if there is a Tax Event, a Regulatory Event, or if at least 75% of the initial aggregate principal amount of the Notes has been purchased by, or on behalf of, the Issuer and cancelled, pursuant to, respectively, Condition 8.2 (*Redemption for tax reasons*), Condition 8.3 (*Redemption for regulatory reasons*) or Condition 8.5 (*Clean-up Call*), respectively.

Such optional redemption feature of the Notes is likely to limit their market value. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. Further, during any period in which there is an actual or perceived increase in the likelihood that the Issuer may redeem the Notes, the price of the Notes may also be adversely impacted. This also may be true prior to any redemption period.

Whilst this should not be construed as any indication or suggestion that the Issuer would exercise any early redemption option to redeem the Notes, it is possible that the Issuer exercises its option to redeem Notes in accordance with (and where permitted by) the Conditions, and in compliance with applicable regulatory requirements, at times when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time. The first sentence of this paragraph should not be construed as any indication or suggestion that the Issuer would exercise any early redemption option to redeem the Notes in such circumstances.

The Notes will be redeemed at their Outstanding Principal Amount, together with accrued but unpaid interest (if any and excluding any interest cancelled in accordance with the Conditions) to the date fixed for redemption, even if the principal amount of the Notes has been written down and not yet reinstated in full. Noteholders will not receive a make-whole amount or any other compensation in the event of any early redemption of Notes.

In respect of the clean-up call in particular, there is no obligation on the Issuer to inform Noteholders of the principal amount outstanding of Notes redeemed or repurchased, and cancelled, by the Issuer from time to time, and the Issuer is entitled to exercise the option pursuant to Condition 8.5 (*Clean-up Call*) to redeem the Notes even if, immediately prior to exercising such option, the Notes may have been trading significantly above par, thus potentially resulting in a loss by the Noteholders.

Redemption for tax reasons

The Issuer's option to redeem the Notes for tax reason is likely to limit the market value of the Notes, as during any period when the Issuer may, or is perceived to be able to, elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed.

In the event that the Issuer has or will become obliged to increase the amounts payable in respect of the Notes due to any withholding or deduction for, or on account of, any present or future taxes or duties of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction pursuant to Condition 9 (*Taxation*), or part of the interest payable by the Issuer in respect of the Notes is no longer, or will no longer be, deductible for Italian corporate taxable income purposes, in each case, as a result of any change in, or amendment to, the laws or regulations of the Tax Jurisdiction (including any treaty to which the Tax Jurisdiction is a party) or any change in the application or official or generally published interpretation of such laws or regulations (including a change or amendment resulting from a ruling by a court or tribunal of competent jurisdiction), which change or amendment becomes effective on or after the Issue Date and such obligation cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may redeem all, but not part, of outstanding Notes in accordance with Condition 8.2 (*Redemption for tax reasons*), subject to satisfaction of the conditions set out in Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in the light of other investments available at that time.

The Notes will be redeemed at their Outstanding Principal Amount, together with accrued but unpaid interest (if any and excluding any interest cancelled in accordance with the Conditions) to the date fixed for redemption, even if the principal amount of the Notes has been written down and not yet reinstated in full. Noteholders will not receive a make-whole amount or any other compensation in the event of any early redemption of the Notes.

The Issuer's obligations under Notes are deeply subordinated

If the Issuer is declared insolvent and a winding up is initiated, the Issuer will be required to pay the holders of senior debt and meet its obligations to all its other unsubordinated creditors (including unsecured creditors) as well as any higher ranking subordinated creditors in full before it can make any payments on the Notes. If this occurs, the Issuer may not have enough assets remaining after these payments to pay the amounts due under the Notes.

The Issuer's obligations under the Notes will be unsecured and subordinated and will rank: (a) junior in priority to the claims of unsubordinated, unsecured creditors (including depositors) of the Issuer, and (b) for so long as the Notes constitute (fully or partially) Additional Tier 1 Capital, junior to the Issuer's obligations in respect of any Tier 2 instruments and any other present or future subordinated obligations of the Issuer that rank (or are expressed to rank) senior to the Notes, as fully described under Condition 3 (*Status of the Notes*) of the Terms and Conditions of the Notes.

Italian Legislative Decree No. 193 of 8 November 2021 implementing the BRRD II in Italy and published on 30 November 2021 in the *Gazzetta Ufficiale* has transposed into the Italian legislation Article 48(7) of BRRD II under Article 91, paragraph 1-*bis*), letter c-*ter*) of the Italian Banking Act. Such provision states that (i) if an instrument is only partly recognised as an own funds item, the whole instrument shall be treated in insolvency as a claim resulting from an own funds item and shall rank lower than any claim that does not result from an own funds item and (ii) if an instrument is fully disqualified as own funds item, it would cease to be treated as a claim resulting from an own funds item in insolvency. Consequently, the ranking of an instrument – previously recognised as own funds item – that is fully disqualified as own funds would improve with respect to any claim that results from an own funds item.

In light of this provision, if the Notes do not qualify or cease to qualify in full as own funds items in the future: (a) their ranking would improve compared to the Additional Tier 1 instruments which at the relevant time qualify as own fund items in whole or in part; and (b) in the event of a liquidation or bankruptcy of the Issuer, the Issuer would, *inter alia*, be required to pay the holders of the disqualified Notes and any other subordinated creditors of the Issuer, whose claims arise from liabilities that are no longer fully recognised as an own funds instrument, in full before it can make any payments on any other Additional Tier 1 instruments which are still recognised (at least in part) as own funds instruments.

In case the Notes do not qualify or cease to qualify as Additional Tier 1 Capital, but were to qualify as Tier 2 Capital, their ranking would improve compared to the Additional Tier 1 instruments which qualify, in whole or in part, as Additional Tier 1 Capital and they would rank *pari passu* with Tier 2 Instruments (save to the extent any such subordinated obligation rank, or are expressed to rank, senior or junior to the Notes), but junior to any other subordinated obligations of the Issuer which rank, or are expressed to rank, senior to the Notes (including any subordinated instrument – previously recognised as own funds item – that is fully disqualified as own funds). See further Condition 3 (*Status of the Notes*) of the Terms and Conditions of the Notes.

Although the Notes may pay a higher rate of interest than notes which are not (or less) subordinated, there is a real risk that an investor in the Notes will lose all or some of its investment should the Issuer become failing or likely to fail, or insolvent.

Regulatory classification of the Notes – Redemption of the Notes may occur following a Regulatory Event

The rules under the CRR provides that Additional Tier 1 instruments may be called, redeemed or repurchased only where the conditions laid down in Article 77 are met, and not before five years after the date of issuance except where the conditions laid down in Article 78(4) are met. The intention of the Issuer is for the Notes to qualify on issue as "Additional Tier 1 capital", at *solo* and group level, for so long as this is permitted under the laws and regulations on capital adequacy applicable from time to time. Current regulatory practice by the Relevant Authorities does not require (or customarily provide) a confirmation prior to the issuance of the Notes that they will be treated as such.

Although it is the Issuer's expectation that the Notes qualify as "Additional Tier 1 capital", there can be no representation that this is or will remain the case during the life of the Notes.

If the Notes do not qualify or cease to qualify in their entirety in the future as the Issuer's Additional Tier 1 Capital (as a result, *inter alia*, of changes to the Applicable Banking Regulations which require Additional Tier 1 instruments to contain features that are not included in the Terms and Conditions of the Notes, unless the Notes will be grandfathered or the Terms and Conditions of the Notes are modified pursuant to Condition 14.2 (*Modification of the Notes for Regulatory Event, Tax Event or Alignment Event, or to ensure effectiveness and enforceability of Bail-In Power*)), their ranking will change accordingly, as provided under Condition 3 (*Status of the Notes*) of the Terms and Conditions of the Notes.

In the event any such change occurs, the Notes would consequently have a ranking higher than at issuance, ranking senior to Additional Tier 1 instruments so long as such Additional Tier 1 instruments remain fully or partially qualified as such. If the Notes are fully excluded from Additional Tier 1 Capital and for so long as they qualify (fully or party) as Tier 2 Capital instruments, they will rank *pari passu* with the Issuer's Tier 2 Instruments (save to the extent any such subordinated obligation rank, or are expressed to rank, senior or junior to the Notes) and junior to the Issuer's other subordinated obligations which rank, or are expressed by their terms to rank, senior to the Notes (including any subordinated instruments that have ceased to qualify in their entirety as Own Funds). In the event, however, that the Notes respectively do not qualify or, in any event, cease to qualify in their entirety as Additional Tier 1 Capital and Tier 2 Capital, they will rank *pari passu* with the Issuer's other subordinated obligations that have ceased to qualify, in their entirety, as Own Funds and with all other subordinated obligations of the Issuer that have such ranking.

The Notes will, in all cases, remain subordinated to the unsubordinated obligations of the Issuer (including deposits). Any change to the ranking of the Notes pursuant to the above will occur automatically during the life of the Notes without any prior consultation of the Noteholders or the holders of any other Own Funds instruments issued by the Issuer. See further the risk factor headed "*The Issuer's obligations under Notes are deeply subordinated*" above.

If a Regulatory Event occurs, the Issuer has a right to redeem the Notes pursuant to Condition 8.3 (*Redemption for Regulatory Reasons*) of the Terms and Conditions of the Notes, subject to the prior approval of the Relevant Authority and satisfaction of the conditions set forth in Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*). A Regulatory Event is defined as any change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Notes from their classification on the Issue Date that results, or would likely result, in the exclusion of the Notes in full (or, to the extent permitted under the Applicable Banking Regulations, in part) from the Additional Tier 1 Capital of the Issuer or the Group (as the case may be), or their reclassification as a lower quality form of Own Funds and, prior to the fifth anniversary of the Issue Date, if and to the extent required by the Applicable Banking Regulations, both of the following conditions are met: (i) the Relevant Authority considers such a change to be sufficiently certain; and (ii) the Issuer demonstrates to the satisfaction of the Relevant Authority that the change in the regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date.

During any period in which there is an actual or perceived increase in the likelihood that the Issuer may exercise such rights to redeem the Notes, the price of the Notes may be adversely impacted and may not rise above the redemption price. There can be no assurance that holders of the Notes will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in the Notes. The Notes will be redeemed at their Outstanding Principal Amount, together with accrued but unpaid interest (if any and excluding any interest cancelled in accordance with the Conditions) to the date fixed for redemption, even if the principal amount of the Notes has been written down and not yet reinstated in full. Noteholders will not receive a make-whole amount or any other compensation in the event of any early redemption of Notes.

The Notes may be written-down or converted into equity securities or other instruments (i) so long as they constitute, fully or partly, Additional Tier 1 Capital or Tier 2 Capital, independently and/or before a resolution procedure is initiated and after such resolution procedure is initiated pursuant to the General Bail-In Tool of the relevant Resolution Authority, and/or (ii) if and when the Notes respectively do not qualify or cease to qualify in their entirety as Additional Tier 1 Capital or Tier 2 Capital, after a resolution procedure is initiated pursuant to the General Bail-In Tool of a Resolution Authority. Since the Notes (including in circumstances where the Notes are fully excluded from Additional Tier 1 Capital and Tier 2 Capital) rank junior to any unsubordinated obligations of the Issuer, they would be written-down or converted in full before any such unsubordinated obligations are written-down or converted. For further information, see also, the paragraph "*The Outstanding Principal Amount of the Notes may be written down to absorb losses*" below.

The holders of the Notes bear significantly more risk than holders of senior obligations or any other obligation ranking senior to the Notes. As a consequence, there is a substantial risk that holders of the Notes will lose all or a significant part of their investments if the Issuer were to enter into resolution or liquidation proceedings.

Early redemption and repurchase of the Notes may be restricted

The rules under the CRR prescribe certain conditions for the granting of permission by the Relevant Authority to a request by the Issuer to redeem or repurchase the Notes. In this respect, the CRR provides that the Relevant Authority shall grant permission to a redemption or repurchase of the Notes, in accordance with Articles 77 and 78 of the CRR, provided that either of the following conditions is met, as applicable to the Notes:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its own funds and eligible liabilities would, following such call, redemption, repayment or repurchase, exceed the capital requirements laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary.

In addition, the rules under the CRR provide that the Relevant Authority may only permit the Issuer to redeem the Notes before five years after the Issue Date of the Notes if:

(i) the conditions listed in paragraphs (i) or (ii) above are met; and

(ii) in the case of redemption upon the occurrence of a Tax Event in accordance with Condition 8.2 (*Redemption for tax reasons*), the Issuer has demonstrated to the satisfaction of the Relevant Authority that the change in the applicable tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date; or

(iii) in the case of redemption upon the occurrence of a Regulatory Event in accordance with Condition 8.3 (*Redemption for regulatory reasons*), the Issuer has demonstrated to the satisfaction of the Relevant Authority that the change in the regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date; or

(iv) on or before the relevant call, redemption, repayment or repurchase, the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity and the Relevant Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(v) the Notes are repurchased for market making purposes.

Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*) provides that redemption of the Notes is subject to the foregoing, subject in any event to any different conditions or requirements as may be provided from time to time under the Applicable Banking Regulations.

See further Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

The Issuer is not prohibited from issuing further debt which may rank pari passu with or senior to the Notes

The Conditions place no restriction on the amount of debt or other securities that the Issuer may issue that ranks senior to, or *pari passu* with, the Notes. The issue of any such debt or securities may reduce the amount recoverable by holders of the Notes should the Issuer become insolvent. If the Issuer's financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences, including cancellation of interest and write-down of principal and, if the Issuer were liquidated, the Noteholders could suffer loss of their entire investment.

The Issuer may elect in its full discretion and at any time to cancel interest on the Notes in whole or in part and may, in certain circumstances, be required to cancel such interest

Interest on the Notes will be due and payable only at the sole discretion of the Issuer, and the Issuer shall have sole and absolute discretion at all times and for any reason to cancel (in whole or in part) for an unlimited period and on a non-cumulative basis any interest payment that would otherwise be payable on any Interest Payment Date.

Further:

- the Issuer shall not make any interest payment on the Notes on any Interest Payment Date (and such interest payment shall be deemed to have been cancelled and shall not be due and payable on such Interest Payment Date), and shall not pay any Additional Amounts thereon, if the Issuer has an amount of Distributable Items on such Interest Payment Date that is less than the sum of all distributions or interest payments on the Notes and on all other Own Funds items (including any Additional Amounts in respect thereof but excluding any distributions or interest payments on Tier 2 instruments which have already been accounted for, by way of deduction, in the calculation of Distributable Items) plus any potential write-ups on any Loss Absorbing Written-Down Instruments, in each case paid or made, or scheduled to be paid or made, in the then current financial year. See further Condition 5.2(a)(i) and the risk factor below headed "*– The Issuer's ability to make interest payments under the Notes depends on its Distributable Items*";
- in circumstances where restrictions on distributions by reference to Maximum Distributable Amount applies, no payments will be made on the Notes (whether by way of principal, interest or otherwise) if and to the extent that such payment – when aggregated with (x) other distributions of the kind referred to in Article 141 of the CRD IV and any other similar restrictions on distributions provisions contained in the Applicable Banking Regulations from time to time applicable to the Issuer or the Group (or, as the case may be, any provision of Italian law transposing or implementing such provisions, including Circular No. 285) and (y) the amount of any write-ups (where applicable) on any Loss Absorbing Written Down Instruments – would cause the Maximum Distributable Amount then applicable to the Issuer or the Group (as the case may be) to be exceeded, or would otherwise result in a violation of any other similar regulatory restriction or prohibition on payments on Additional Tier 1 instruments imposed on the Issuer or the Group pursuant to Applicable Banking Regulations. See further Condition 5.2(a)(ii) and the risk factor below headed "*The determination of Maximum Distributable Amount is complex*"; and
- the Issuer shall not make an interest payment on the Notes on any Interest Payment Date (and such interest payment shall therefore be deemed to have been cancelled and thus shall not be due and payable on such Interest Payment Date), if and to the extent that the Relevant Authority orders or requires the Issuer to cancel the relevant interest payment on the Notes scheduled to be paid. See further Condition 5.2(a)(iii).

In particular, the Relevant Authority has the power under Article 104(1)(i) of the CRD IV Directive to restrict or prohibit payments of interest by the Issuer to holders of Additional Tier 1 instruments such as the Notes. The risk of any such intervention by the Relevant Authority is most likely to materialise at a time when the Issuer or the Group is failing, or is expected to fail, to meet its capital requirements. Also, in accordance with Article 63(j) of the BRRD (as implemented in Italy by Article 60(1)(i) of Legislative Decree No. 180/2015), the Relevant Authority has the power to alter the amount of interest payable under debt instruments (such as the Notes) issued by banks subject to resolution proceedings and the date on which the interest becomes payable under the debt instrument (including the power to suspend payment for a temporary period). The Relevant Authority also has intervention power under Articles 53-bis and 67-ter of the Italian Banking Act to impose requirements on the Issuer, the effect of which can be to restrict or prohibit payments of interest by the Issuer to holders of financial instruments computed in its regulatory capital (such as the Notes), which intervention power is most likely to be exercised at a time when the Issuer is failing, or is expected to fail, to meet its capital or liquidity requirements.

In addition, under the amendments to Article 45 of the BRRD comprised in the EU Banking Reform, a breach of the minimum requirement for own funds and eligible liabilities can be addressed by the Relevant Authority also on the basis of measures under Article 141 of the CRD IV, pursuant to which the Issuer is prohibited from making certain discretionary distributions (including payments on its Additional Tier 1 instruments) in an amount in excess of the amount calculated in accordance with such Article 141 ("**MDA**"), where it fails to meet the combined buffer requirements. If the Relevant Authority exercises its discretion, the Issuer will exercise its discretion to cancel (in whole or in part, as required by the Relevant Authority) interest payments in respect of the Notes.

Furthermore, according to Article 16a of the BRRD, where the Issuer meets the combined buffer requirement for the purposes of Article 141 of the CRD IV in addition to its own funds requirements, but fails to meet the combined buffer requirement when considered in addition to the minimum requirement for own funds and eligible liabilities ("**MREL**") requirement, the resolution authority shall have the power to prohibit the Issuer from making certain types of distributions (including payments on Additional Tier 1 instruments) in excess of the maximum distributable amount related to the minimum requirement for own funds and eligible liabilities ("**M-MDA**"). Article 16a envisages a potential nine-month grace period whereby the resolution authority assesses on a monthly basis whether to exercise its power under the provision, before such resolution authority is compelled to exercise its power under the provision (subject to certain limited exemptions).

Consequently, in the event of a breach of the combined buffer requirement, or of the combined buffer requirement when considered in addition to the MREL requirement, it may become necessary for the Issuer to reduce certain discretionary payments (such as interest payments on the Notes) and may also result in the Issuer exercising its discretion to cancel (in whole or in part) interest payments on the Notes.

Furthermore, upon the occurrence of a Trigger Event (as defined in Condition 2 (*Definitions)*), any accrued and unpaid interest on the Notes through to the Write-Down Effective Date shall be automatically cancelled and shall not be due and payable. See further Condition 5.2(a)(iv).

The cancellation of any Interest Amounts shall not constitute a default for any purpose on the part of the Issuer. Interest on the Notes is not cumulative and any Interest Amounts that the Issuer elects not to pay or is prohibited from paying will not accumulate or be payable at any time thereafter, and shall not entitle the Noteholders to receive any additional interest or compensation. See further Condition 5.3 (*Interest Cancellation – Effect of interest cancellation*).

Because the Issuer is entitled to cancel Interest Amounts in its full discretion, it may do so even if it could make such payments without exceeding the limits of Distributable Items or Maximum Distributable Amounts described above. Interest Amounts on the Notes may be cancelled even if holders of the Issuer's shares continue to receive dividends and/or the Issuer continues to make payments of interest or other amounts on other Additional Tier 1 instruments.

It is the Issuer's current intention that, when exercising its discretion to propose any dividend in respect of the Issuer's shares or its discretion to cancel payments of interest on the Notes, the Issuer will take into account the relative ranking of these instruments in its capital structure. However, the Issuer is not bound by, and may at any time at its sole discretion depart from, this intention and, in accordance with the Applicable Banking Regulations and the Conditions, the Issuer may in its discretion elect to cancel any payment of interest at any time and for any reason.

Any actual or anticipated cancellation of interest on the Notes will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest cancellation provisions of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation and may be more sensitive generally to adverse changes in the Issuer's financial condition. Any indication that, for example, the Issuer may not have sufficient Distributable Items and/or may fail to meet the relevant requirements under the Applicable Banking Regulations such as to trigger operation of the restrictions on distributions by reference to Maximum Distributable Amount may have an adverse effect on the market price of the Notes.

The Issuer's ability to make interest payments under the Notes depends on its Distributable Items and, in certain circumstances, its Maximum Distributable Amount

Condition 5.2(*Restriction on interest payments*) provides that the Issuer shall not make any interest payment on the Notes on any Interest Payment Date (and such interest payment shall be deemed to have been cancelled and shall not be due and payable on such Interest Payment Date), and shall not pay any Additional Amounts thereon, if the Issuer has an amount of Distributable Items on such Interest Payment Date that is less than the sum of all distributions or interest payments on the Notes and on all other Own Funds items (including any Additional Amounts in respect thereof but excluding any distributions or interest payments on Tier 2 instruments which have already been accounted for, by way of deduction, in the calculation of Distributable Items) plus any potential write-ups on any Loss Absorbing Written-Down Additional Tier 1 instruments, in each case paid or made, or scheduled to be paid or made, in the then current financial year.

The Issuer's ability to make interest payments under the Notes therefore depends on the level of its Distributable Items as well as its future profitability. As at 31 December 2025, the Issuer had €50,288,965 of Distributable Items. The availability of Distributable Items to fund interest payments on the Notes may be adversely affected by distributions paid and/or scheduled to be paid on instruments ranking *pari passu* with or senior to the Notes, as well as on more junior ranking instruments such as dividends on the Issuer's shares. The actual level of the Issuer's Distributable Items may furthermore be affected by changes to accounting rules and is impacted by the Issuer's decisions to allocate sums to distributable and non-distributable reserves or to make any earnings adjustments as well as other factors that influence the Issuer's profitability in general.

The determination of Maximum Distributable Amount is complex

The Maximum Distributable Amount imposes a cap on the Issuer's ability to pay interest on the Notes as well as to reinstate the Outstanding Principal Amount of the Notes following a Write-Down, as a result of the restrictions on distributions provisions contained in the Applicable Banking Regulations.

Under the CRD IV, institutions are required to hold a minimum amount of regulatory capital equal to 8.0% of risk-weighted assets (the so called "**Pillar 1 requirement**"). CRD IV also introduces the combined buffer requirement (namely, the capital conservation buffer, the institution-specific counter-cyclical buffer, the G-SII buffer, the O-SII buffer and the systemic risk buffer) that is required to be met with CET1 capital. In addition, supervisory authorities may impose extra capital requirements above the Pillar 1 requirement. It has been clarified that the level of own funds above the Pillar 1 requirement will comprise a Pillar 2 requirement (which is binding) and a Pillar 2 guidance which is not directly binding. The EBA Guidelines on SREP published in July 2018, as subsequently amended, furthermore clarify that the Pillar 2 requirement is stacked below the capital buffers, thus directly affecting the application of Maximum Distributable Amount, while the Pillar 2 guidance is stacked above the capital buffers. The Issuer has not been identified as either a globally systemically important institution (G-SII) or other systemically important institutions (O-SII).

The amendments to the CRR contained in the EU Banking Reform provide further clarification on the role of Pillar 2 guidance, referred to as the supervisory guidance on additional own funds. In particular, competent authorities may communicate to an institution an adjustment to the amount of capital in excess of the minimum own funds requirements, the additional own funds requirement and the combined buffer requirement that they expect such institution to hold in order to deal with forward looking stress scenarios. Such supervisory guidance on additional own funds constitutes a capital target and is to be regarded as positioned above the aforementioned requirements. Failure to meet such target does not automatically trigger restrictions on distributions by reference to Maximum Distributable Amount.

Concerning the systemic risk buffer ("**SyRB**"), following a public consultation, on 26 April 2026 the Bank of Italy confirmed a systemic risk buffer of 1.0 per cent of exposures towards Italian residents weighted for credit and counterparty credit risks. The SyRB applies to all banks and banking groups authorised to carry out banking activities in Italy.

Under Article 141 of the CRD IV, institutions that fail to meet the combined buffer requirement are subject to restrictions on discretionary payments (including payments on Additional Tier 1 instruments such as the Notes). Such restrictions are scaled according to the extent of the breach of the combined buffer requirement, and calculated as a percentage of the profits of the institution since the last distribution of profits or "discretionary payment". Such calculation will result in a MDA. As a result, in the event of breach of the combined buffer requirement, it may be necessary to reduce discretionary payments, including potentially cancel interest payments on the Notes. Because the Issuer will have discretion to determine how to allocate the Maximum Distributable Amount among the different types of discretionary payments, the Issuer may elect to allocate available amounts to discretionary payments other than in respect of the Notes. Moreover, payments made earlier in the relevant period will reduce the remaining Maximum Distributable Amount available for payments later in the relevant period, and the Conditions do not impose any obligation on the Issuer to preserve any portion of the Maximum Distributable Amount for interest payments due under the Notes. The precise level of Maximum Distributable Amount will depend on the amount of net income earned during the course of the relevant period, which is necessarily difficult to predict.

Under the EU Banking Reform, the restrictions on distributions provisions by reference to Maximum Distributable Amount set forth in Article 141 of the CRD IV are extended to apply also in situations where:

- an institution (which is a globally systemically important institution) does not have Tier 1 capital in the amount needed to meet at the same time its leverage ratio buffer requirement, the leverage ratio requirement and additional own funds requirement to address excessive leverage risk not sufficiently covered by the leverage ratio requirement. In such a situation, the institution is required to calculate the Leverage ratio related Maximum Distributable Amount ("**L-MDA**"), and shall not make any discretionary payments in excess of such L-MDA; and
- an institution fails to meet its combined buffer requirement when considered in addition to its minimum requirement for own funds and eligible liabilities. In such a situation, the resolution authority has the power to prohibit the institution from making discretionary payments (including payments on Additional Tier 1 instruments such as the Notes) in excess of the M-MDA. The resolution authority shall assess whether to exercise such power on a monthly basis and shall – following a nine months grace period – exercise such power subject to certain limited exceptions.

The extended application of the restrictions on distributions provisions by reference to the L-MDA (to the extent applicable to the Issuer) and the M-MDA introduced by the EU Banking Reform increases the risk of a cancellation of interest payments under the Notes as well as impose further limitations on the Issuer's ability to reinstate principal on the Notes following a Write-Down. Holders of the Notes may not be able to predict accurately the proximity of the risk of discretionary interest payments or principal reinstatements on the Notes being restricted from time to time as a result of operation of the aforementioned restrictions on distributions provisions by reference to Maximum Distributable Amount.

The Outstanding Principal Amount of the Notes may be written down to absorb losses

If, at any time, the CET1 Ratio of the Issuer on a solo basis or of the Group on a consolidated basis is less than 5.125% (the "**Trigger Level**"), as determined by the Issuer, the Relevant Authority or any agent appointed for such purpose by the Relevant Authority (a "**Trigger Event**"), the Issuer shall irrevocably and mandatorily write down the Outstanding Principal Amount of each Note by the Write-Down Amount, *pro rata* with the other Additional Tier 1 instruments and taking into account the write-down (or write-off) or conversion into ordinary shares of any other Loss Absorbing Instruments with effect from the Write-Down Effective Date in accordance with the provisions set out in Condition 6 (*Loss Absorption following a Trigger Event*). A Trigger Event may occur on more than one occasion, and the Outstanding Principal Amount of each Note may be written down on more than one occasion, provided that the Outstanding Principal Amount of a Note may never be reduced to below one cent.

The Issuer's current and future outstanding junior and *pari passu* ranking securities might not include in their contractual terms write-down or similar loss absorption features with triggers comparable to those of the Notes. As a result, it is possible that the Notes will be subject to a Write-Down under the Conditions, while other junior or *pari passu* ranking securities remain outstanding and continue to receive payments, thus exposing the Noteholders to losses ahead of holders of such other junior or *pari passu* ranking securities.

In addition, although a Write-Down of the Notes is expected to occur concurrently, or substantially concurrently, and on a *pro rata* basis, with the write-down or conversion into equity of other Loss Absorbing Instruments of the Issuer, to the extent that the write-down or conversion of any such other Loss Absorbing Instrument is not effective for any reason, (i) such ineffectiveness shall not prejudice the requirement to effect a write-down of the Notes; and (ii) the write-down or conversion of any Loss Absorbing Instrument that is not effective shall not be taken into account in determining the Write-Down Amount of the Notes. Accordingly, a failure to write down or convert into equity other Loss Absorbing Instruments may result in an increase in the Write-Down Amount of the Notes. Any Write-Down of a Note shall not constitute an Event of Default or a breach of any other obligations of the Issuer, and shall not entitle the Noteholders to any compensation or to petition for the insolvency or dissolution of the Issuer or otherwise.

Although Condition 6.3 (*Principal Reinstatement*) permits the Issuer to reinstate the written-down Outstanding Principal Amount of the Notes, any Principal Reinstatement is at the full discretion of the Issuer and there is no obligation for the Issuer to operate or accelerate any Principal Reinstatement under specific circumstances. Any Principal Reinstatement at the discretion of the Issuer is conditional on there being positive Net Income or Consolidated Net Income, needs to be made on a *pro rata* basis with other Loss Absorbing Written-Down Instruments and is subject to the limits imposed by operation of the restrictions on distributions provisions by reference to Maximum Distributable Amount. See further Condition 6.3(e). There can be no assurance that these conditions will be met or that the Issuer will exercise its discretion to effect a Principal Reinstatement.

Following each Write-Down, interest will accrue (subject to any subsequent Write-Down or Principal Reinstatement) on the Outstanding Principal Amount of the Notes as so written down. Furthermore, any accrued and unpaid interest on the Notes through to the Write-Down Effective Date shall be automatically cancelled and shall not be due and payable. In the event of a liquidation of the Issuer prior to the Notes being written up in full pursuant to Principal Reinstatement(s), the Noteholders' claim will be based on the then prevailing Outstanding Principal Amount of the Notes. Accordingly, Noteholders may lose all or some of their investment as a result of one or more Write-Down(s), and the market price of the Notes is expected to be affected by fluctuations in the Issuer's solo or consolidated CET1 Ratio and consequential actual or potential Write-Down of the Notes.

The Notes may furthermore be subject to write-down or conversion into equity on application of the General Bail-In Tool as well as non-viability loss absorption under the BRRD, which may result in the Noteholders losing some or all of their investment. See further the risk factor headed "*The Notes may be subject to mandatory write-down or conversion into equity under the BRRD regulatory framework*" above.

The Issuer may be required to reduce the principal amount of the Notes to absorb losses, which would also impact the Interest Amounts payable on any Interest Payment Date while the Notes are written down

The Notes may trade, and/or the prices for the Notes may appear, on the Official List of Euronext Dublin or in other trading systems with accrued interest. If this occurs, purchasers of Notes in the secondary market will pay a price that reflects such accrued interest upon purchase of the Notes. However, if a payment of interest on any Interest Payment Date is cancelled (in whole or in part) as described herein and thus is not due and payable (or if the Issuer elects to make a payment of a portion, but not all, of such interest payment), purchasers of such Notes will not be entitled to the interest payment so cancelled (or the portion of such interest payment not paid) on the relevant Interest Payment Date. This may affect the value of any investment in the Notes.

Noteholders will bear the risk of changes in the CET1 Ratio as the circumstances surrounding a Trigger Event are unpredictable, and there are a number of factors that could affect the CET1 ratio

The market price of the Notes is expected to be affected by changes in the Issuer's solo and consolidated CET1 Ratio. The Relevant Authority, as part of its supervisory activity, may instruct the Issuer to calculate such ratio as of any date, including if the Issuer and/or the Group is subject to recovery and resolution actions by the relevant resolution authority, or the Issuer might otherwise determine to calculate such ratio in its own discretion. Because the CET1 Ratio may be calculated as at any date, the occurrence of a Trigger Event (as defined in the Conditions) is inherently unpredictable and could occur at any time. The calculation of the CET1 Ratio could be affected by one or more factors including, among other things, changes in the mix of the Issuer's businesses, its ability to manage risk-weighted assets in its businesses, events affecting its earnings, dividend payments, changes in its group structure as well as changes in applicable accounting rules or the manner in which accounting policies are applied (or permitted discretions are exercised), and such ration may even fluctuate during a quarterly period.

The Issuer's CET1 Ratio will be affected by regulatory changes (including imposition of additional own funds and eligible liabilities or buffer requirements and/or changes to the definitions, calculations and interpretations of capital requirements or their application to the Issuer), changes in applicable accounting rules, or, potentially, changes in foreign exchange rates which could result in changes in the relevant currency equivalent value of foreign currency denominated capital resources and risk weighted assets of the Issuer. These changes may have a material adverse impact on the Group's calculations of regulatory capital, including CET1 Capital and Risk Weighted Assets, and the CET1 Ratio.

Because of the inherent uncertainty regarding occurrence of a Trigger Event, it will be difficult to predict when, if at all, a Write-Down may occur and interest payments will be cancelled. Accordingly, the trading behaviour of the Notes may not necessarily follow the trading behaviour of other types of subordinated securities. Any indication that the CET1 Ratio of the Issuer, on a solo or consolidated level, is approaching the Trigger Level may have an adverse effect on the market price and liquidity of the Notes.

The Issuer's interests may not be aligned with those of the Noteholders

The Issuer's CET1 Ratio, Distributable Items and Maximum Distributable Amount will depend, in part, on decisions made by the Issuer relating to its businesses and operations as well as the management of its capital position. The Issuer has no obligation to consider the interests of the Noteholders when making its strategic or capital management decisions and may, for example, decide not to raise capital to remedy a potential breach of its CET1 Ratio at a time when feasible to do so. Noteholders will not have any claim against the Issuer relating to decisions taken by the Issuer that impact the capital position of the Issuer on a solo or consolidated basis, regardless of whether they result in the occurrence of a Trigger Event or would otherwise trigger restrictions on payments on the Notes, thereby causing the Noteholders to lose all or part of their investment in the Notes.

Some aspects of the manner in which the CRD IV, the CRR, the BRRD and the SSM Regulation will be interpreted remain uncertain

The CRD IV Package, as amended by the EU Banking Reform, as subsequently amended and reinstated. has imposed a series of requirements some of which remain to be phased in as of the date of these Listing Particulars. Although a number of interpretational issues have already been resolved, or are being addressed by the amendments introduced under the EU Banking Reform, other interpretational issues remain to be resolved or may arise in the future. Furthermore, many matters are left to the discretion of the Relevant Authority and the circumstances under which the Relevant Authority would exercise such discretion (such as application of the General Bail-In Tool) may not be certain.

As at the date of these Listing Particulars, some of the provisions set forth in the CRD VI and CRR III are not yet entered into force or, in any event, remain to be phased in as at the date of these Listing Particulars. Once the CRD VI and the CRR III will be, respectively, fully enforceable and implemented in the Union or formally adopted, these regulatory changes will impact the entire the banking system and consequently could determine changes in the capital calculation and increase capital requirements.

Moreover, as at the date of these Listing Particulars, the CMDI Package has only been recently published in the European Official Journal and most of its provisions are not yet entered into force or, in any event, remain to be transposed into the national law of each of the Member States (including, Italy) and to be phased in as at the date of these Listing Particulars. Once the CMDI Package will become fully enforceable and / or implemented in the Union or formally adopted, these regulatory changes will impact the entire banking system and consequently could determine changes in capital calculation and increase capital requirements. Changes in applicable law (or the interpretation or application thereof) may, in certain circumstances to the extent they result in a change in the tax treatment of the Notes, entitle the Issuer to redeem the Notes pursuant to Condition 8.2 (*Redemption for tax reasons*). Furthermore, a change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Notes from their classification on the Issue Date that results, or would be likely to result, in their exclusion in full (or, to the extent permitted under the Applicable Banking Regulations, in part) from the Additional Tier 1 Capital or their reclassification as a lower quality of capital in accordance with the Applicable Banking Regulations may entitle the Issuer to redeem the Notes pursuant to Condition 8.3 (*Redemption for regulatory reasons*). In such events, the Issuer may exercise its option to redeem the Notes, which could materially and adversely affect investors and frustrate their investment strategies and objectives.

These and other uncertainties could affect an investor's ability to value the Notes accurately and adversely impact the trading price and liquidity of the Notes.

The Rate of Interest applicable to the Notes will be reset on every Reset Date

The Rate of Interest applicable to the Notes will be reset on the First Reset Date and on every Reset Date thereafter. Such Rate of Interest will be determined two T2 Settlement Days before the relevant Reset Date and as such, is not pre-defined at the Issue Date. Investment in the Notes, therefore, involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes as a Reset Rate of Interest determined for a Reset Interest Period may be lower than the Rate of Interest of the immediately preceding (Reset) Interest Period. The uncertainty regarding the Reset Rate of Interest of the Notes for future Reset Interest Period(s) may adversely affect the yield and the market value of the Notes.

Decisions at Noteholders' meetings bind all Noteholders

Provisions for calling meetings of Noteholders are summarised in Condition 14 (*Meetings of Noteholders, Modification and Waiver*). Noteholders' meetings may be called to consider matters affecting Noteholders' interests generally, including modifications to the Conditions relating to the Notes. These provisions permit defined majorities to bind all Noteholders, including those who did not attend and vote at the relevant meeting or who voted against the majority. Any such modifications to the Notes (which may include, without limitation, reducing the amount of principal and interest payable on the Notes, changing the time and manner of payment, changing provisions relating to redemption, limiting remedies on the Notes and changing the amendment provisions) may have an adverse impact on Noteholders' rights and on the market value of the Notes.

Furthermore, pursuant to Condition 14.2 (*Modification of the Notes for Regulatory Event, Tax Event or Alignment Event, or to ensure effectiveness and enforceability of Bail-In Power*), the Paying Agent and the Issuer may agree, without the consent of the Noteholders to:

(a) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes that is in the sole opinion of the Issuer not materially prejudicial to the interests of the Noteholders; or

(b) any modification which is of a formal, minor or technical nature or to correct a manifest error including without limitation where required in order to comply with mandatory provisions of law.

Any variation of the Conditions to give effect to any Benchmark Amendment in the circumstances and as otherwise set out in Condition 4.4 (*Benchmark Event*) shall not require the consent of the Noteholders, subject (to the extent required) to the Issuer giving any notice required to be given to, and receiving any consent required from, or non-objection from, the Relevant Authority. Any such modification shall be binding on the Noteholders.

In addition, where (i) a Regulatory Event, a Tax Event or an Alignment Event has occurred and is continuing, and/or (ii) in order to ensure the effectiveness and enforceability of the Bail-In Power in accordance with Condition 17 (*Contractual Recognition of Bail-In Power*) or in accordance with applicable law, the Issuer shall be entitled to modify the terms of the Notes without the consent of the Noteholders, provided that certain conditions set out in the Terms and Conditions of the Notes are met. For so long as the Notes qualify as regulatory capital, the Relevant Authority has discretion as to whether or not it will approve such modification of the Terms and Conditions of the Notes, and any such modification which is considered by the Relevant Authority to be material may be treated by it as the issuance of a new instrument and this may require that the Notes (if to be eligible as Additional Tier 1 Capital), as so modified, may not be redeemed or repurchased prior to five years after the effective date of such modification.

While it is difficult to foresee the exact impact of any changes made under Condition 14.2 (*Modification of the Notes for Regulatory Event, Tax Event or Alignment Event, or to ensure effectiveness and enforceability of Bail-In Power*), a modification which is made to ensure the effectiveness and enforceability of the Bail-In Power does not need to satisfy the condition - set out in sub-paragraph (b)(i) of Condition 14.2 - that the Terms and Conditions of the Notes (as so modified) are not materially less favourable to the Noteholders and as such, may have a material adverse effect on Noteholders' investment in the Notes.

In the case of a modification made upon the occurrence of a Tax Event, a Regulatory Event or an Alignment Event, it is a requirement that the Conditions (as so modified) are not materially less favourable to the Noteholders (as reasonably determined by the Issuer) than the terms and conditions applicable to the Notes prior to such modification. However, no assurance can be given that such changes will not negatively affect any particular Noteholder. In addition, the tax and stamp duty consequences of holding the Notes (as so modified) for some categories of Noteholders could be different from the tax and stamp duty consequences for them of holding the Notes prior to such modification and, as such, Noteholders should consult their own tax advisors regarding such potential consequences.

Noteholders' meeting provisions may change by operation of law or because of changes in the Issuer's circumstances

The provisions relating to Noteholders' meetings (including quorums and voting majorities) are subject to compliance with certain provisions of Italian law, which may change during the life of the Notes. In addition, as currently drafted, the rules concerning Noteholders' meetings are intended to follow provisions of Italian law that apply to Noteholders' meetings where the Issuer is an Italian unlisted company. As at the date of these Listing Particulars, the Issuer is an unlisted company but, if its shares are listed on a securities market while the Notes are still outstanding, then the provisions of Italian law that apply to Noteholders' meetings will be different (particularly in relation to the rules relating to the calling of meetings, participation by Noteholders at meetings, quorums and voting majorities). In addition, certain Noteholders' meeting provisions could change as a result of amendments to the Issuer's bylaws. Accordingly, Noteholders should not assume that the provisions relating to Noteholders' meetings contained in the Conditions will correctly reflect provisions of Italian law applicable to Noteholders' meetings at any future date during the life of the Notes.

Change of law

The Terms and Conditions of the Notes are governed by Italian law. No assurance can be given as to the impact of any possible judicial decision or change to Italian law or its administrative practice after the date of these Listing Particulars.

Denominations of the Notes

Because the Notes are issued in denominations of €200,000 and integral multiples of €1,000, it is possible that the Notes may be traded in amounts that are not integral multiples of the minimum denomination of €200,000. 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 Notes such that its holding amounts to the minimum denomination of €200,000.

No physical document of title issued in respect of the Notes

The Notes are issued in dematerialised form and evidenced through book entries pursuant to the relevant provisions of the Italian Finance Act, as amended and in accordance with the CONSOB and Bank of Italy Joint Regulation. In no circumstances would physical documents of title be issued in respect of the Notes. While the Notes are represented by book entries, investors will be able to trade their beneficial interests only through Monte Titoli S.p.A. ("**Monte Titoli**", trading under the commercial name Euronext Securities Milan) and the authorised financial intermediaries holding accounts on behalf of their customers with Monte Titoli. As the Notes are held in dematerialised form with Monte Titoli, investors will have to rely on the procedures of Monte Titoli and the financial intermediaries to hold accounts therewith, for transfer, payment and communication with the Issuer.

Waiver of set-off

As specified in Condition 3.3, each holder of a Note will unconditionally and irrevocably waive any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Note.

Notes have limited Events of Default and remedies

An "Event of Default" in respect of the Notes, as defined in the Conditions - upon the occurrence of which the Notes shall become immediately due and repayable - is limited to circumstances in which the Issuer becomes subject to compulsory winding-up (*liquidazione coatta amministrativa*) pursuant to Articles 80 and following of the Italian Banking Act or voluntary winding-up (*liquidazione volontaria*) pursuant to Article 96-quinquies of the Italian Banking Act, otherwise than for the purposes of an Approved Reorganisation.

Accordingly, other than following the occurrence of an Event of Default (as defined in the Conditions) (and for the avoidance of doubt, resolution proceeding or moratoria imposed by a Resolution Authority in respect of the Issuer shall not constitute an Event of Default for the Notes for any purpose), even if the Issuer fails to meet any of its obligations under the Notes, including the payment of any interest, the holders of the Notes will not have the right of acceleration of principal and the sole remedy available to Noteholders for recovery of amounts owing in respect of any of the Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it. Furthermore, investors should take into account that the terms and conditions of the Notes do not provide for negative pledge provisions.

Risks related to the market generally

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

The secondary market generally

Although application has been made for the Notes to be admitted to the Official List and to trading on the Global Exchange Market, the Notes will have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. If investors decide to sell the Notes, there may be a limited number of buyers (if any) or there may be a surplus of debt securities of other issuers available with a similar credit maturity and other structural characteristics. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Notes. The trading market for, and current market value of, the Notes may also be affected by the level, direction and volatility of market interest rates. These and other factors unrelated to the creditworthiness of the Issuer may affect the price holders receive for the Notes and their ability to sell them at all. Investors should not purchase the Notes unless they understand and know they can bear the related investment risks.

Moreover, although pursuant to Condition 8.6 (*Purchases*) of the Conditions, the Issuer or any of its Subsidiaries may purchase the Notes at any price in the open market or otherwise, this is not an obligation for the Issuer or any of its Subsidiaries. Purchases made by the Issuer or any of its Subsidiaries could affect the liquidity of the secondary market of the Notes and thus the price and the conditions under which investors can negotiate the Notes on the secondary market.

In addition, the market for debt securities issued by banks is influenced by economic and market conditions and, to varying degrees, interest rates, currency exchange rates and inflation rates in other Western and other industrialised countries. There can be no assurance that events in Italy, Europe, the United States or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of Notes or that economic and market conditions will not have any other adverse effect.

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of these Listing Particulars), whereby there is a general lack of liquidity in the secondary market which may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the Notes or the assets of the Issuer. The Issuer cannot predict whether these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

The market value of the Notes could decrease if the creditworthiness of the Issuer or the Issuer's group worsens

If the likelihood decreases that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due, for example, because of the materialisation of any of the risks regarding the Issuer, the market value of the Notes will fall. In addition, even if the likelihood that the Issuer will be in position to fully perform all obligations under the Notes when they fall due actually has not decreased, market participants could nevertheless have a different perception. Furthermore, the market participants' estimation of the creditworthiness of debtors operating in the same business as the Issuer could adversely change.

If any of these risks materialises, third parties would only be willing to purchase Notes for a lower price than before the materialisation of mentioned risk. Under these circumstances, the market value of the Notes will decrease.

Risk relating to the fact that the Notes will not be rated

At the date of the Listing Particulars, the Issuer has not applied for a rating to be granted to the Notes by any rating agency. Therefore, no synthetic indicator is available to represent the risk relating to the Notes.

However, Noteholders should consider that the absence of any crediting rating relating to the Notes is not per se an indication of the risks relating to the Notes.

Although no rating will be granted to the Notes as at the Issue Date, it cannot be ruled out that the Notes may be rated at any time following the Issue Date.

Risk relating to the occurrence of events outside the control of the Issuer

Events such as the approval of the yearly financial statements or the semi-annual financial reports of the Issuer, press releases or changes in the general market conditions may have a significant negative impact on the market price of the Notes. Additionally, broad movements of the markets, as well as the general economic and political conditions, may affect the market value of the Notes, regardless of the Issuer's credit solidity.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes 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 the 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 Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes, and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal as measured in the Investor's Currency.

Interest rate risks

An investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. See also the risk factor headed "*The Rate of Interest applicable to the Notes will be reset on every Reset Date*" above.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent; (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing, and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

OVERVIEW OF THE NOTES

This overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of these Listing Particulars. Any decision to invest in the Notes should be based on a consideration of the Listing Particulars as a whole, including the information incorporated by reference.

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

Issuer:	Banca del Fucino S.p.A.
LEI (Legal Entity Identifier):	815600722FAEE18D6013.
Sole Bookrunner:	Goldman Sachs International
Paying Agent:	Banca del Fucino S.p.A. The Issuer is entitled to appoint a different Paying Agent in accordance with Condition 12 (*Paying Agents*)
Listing Agent:	Arthur Cox Listing Services Limited
Notes:	€40,000,000 12.000% Additional Tier 1 Notes
Issue Price:	100% of the principal amount of the Notes
Issue Date:	4 August 2026
Form and denomination of Notes:	The Notes will be in dematerialised form in denominations of €200,000 and integral multiples of €1,000 in excess thereof.
Negative pledge:	None
Status of the Notes:	The Notes are direct, unconditional, unsecured and subordinated obligations of the Issuer that are intended to qualify for regulatory purposes as Additional Tier 1 capital of the Issuer and the Group in accordance with Article 52 of the CRR and Part II, Chapter 1 of Circular No. 285 (or any successor rules under the Applicable Banking Regulations). The payment obligations of the Issuer under the Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking *pari passu* without any preference among themselves and shall rank: (a) whilst the Notes constitute, fully or partly, Additional Tier 1 Capital: (i) junior to all present or future unsecured and unsubordinated obligations of the Issuer (including depositors of the Issuer), the Issuer's obligations in respect of any Tier 2 Instruments and any other present or future subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Notes (including any subordinated instruments that have ceased to qualify in their entirety as Own Funds); (ii) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Notes (including Additional Tier 1 instruments); and (iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under instruments or items included in the CET1 capital of the Issuer). (b) if and when the Notes do not qualify or cease to qualify as Additional Tier 1 Capital but so long as they constitute, fully or partly, Tier 2 Capital:

(i) junior to (i) all present or future unsecured and unsubordinated obligations of the Issuer (including depositors of the Issuer), and (ii) any other present or future unconditional, unsecured and subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Notes (including any subordinated instruments that have ceased to qualify in their entirety as Own Funds);

(ii) *pari passu* with (i) the Issuer's obligations in respect of any Tier 2 Instruments, save to the extent any such subordinated obligation rank, or are expressed to rank, senior or junior to the Notes; and (ii) any securities or other obligations of the Issuer that rank, or are expressed to rank, in liquidation or bankruptcy of the Issuer, *pari passu* instruments qualified in whole or in part as Tier 2 Capital; and

(iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Notes (including, without limitation, the claims of the shareholders of the Issuer and any other present or future obligations under instruments or items included in the CET1 capital of the Issuer, or under Additional Tier 1 instruments).

(c) if and when the Notes respectively do not qualify or cease to qualify as Additional Tier 1 Capital and Tier 2 Capital:

(i) junior to all present or future unsecured and unsubordinated obligations of the Issuer (including depositors of the Issuer) and any other present or future unconditional, unsecured and subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to subordinated instruments that have ceased to qualify in their entirety as Own Funds;

(ii) *pari passu* among themselves and with all other present or future subordinated obligations of the Issuer in respect of any other subordinated instruments which do not qualify or have ceased to qualify, in their entirety, as Own Funds and with all other present and future subordinated obligations of the Issuer that have such ranking; and

(iii) senior to instruments which qualify (in whole or in part) as own fund items (*elementi di fondi propri)* (including, without limitation, the claims of the shareholders of the Issuer, Additional Tier 1 instruments and Tier 2 Instruments) and to any present or future subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Notes .

No security or guarantee of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the Noteholders. In the event of the liquidation, dissolution, winding-up (including, *inter alia*, *Liquidazione Coatta Amministrativa*, as described in Articles 80 to 94 of the Consolidated Banking Act) of the Issuer that occurs after the date on which a Trigger Event occurs but before the Write-Down Effective Date (as defined in Condition 6.2(b)), the rights and claims (if any) of the Noteholders in respect of their Notes shall be limited to such amount, if any, as would have been payable to Holders on a return of assets in such liquidation or bankruptcy of

	the Issuer if the Write-Down Effective Date had occurred immediately before the occurrence of such liquidation, dissolution or winding up of the Issuer. It is the intention of the Issuer that the Notes shall, for regulatory purposes, be treated as Additional Tier 1 capital, but the obligations of the Issuer and the rights of the Noteholders shall not be affected if the Notes no longer qualify as Additional Tier 1 capital. However, the Issuer may redeem the Notes in accordance with Condition 8.3 (*Redemption for regulatory reasons*).
Margin:	9.346%
Interest and Interest Payment Dates:	Each Note bears interest on its Outstanding Principal Amount, on a non-cumulative basis, at: (a) in respect of the Interest Period from (and including) the Issue Date to (but excluding) 4 August 2031 (the "**First Reset Date**"), 12.000 per cent. per annum (the "**Initial Rate of Interest**"); and (b) in the case of each Interest Period from (and including) the First Reset Date, the Reset Rate of Interest in respect of the relevant Reset Interest Period, as determined by the Calculation Agent, (the "**Rate of Interest**") payable, subject as provided in the Conditions, semi-annually in arrear on 4 February and 4 August in each year (each, an "**Interest Payment Date**"). The first interest payment shall be made on 4 February 2027 in respect of the period from (and including) the Issue Date to (but excluding) 4 February 2027.
Discretionary interest payments:	Interest on the Notes will be due and payable only at the sole discretion of the Issuer, and the Issuer shall have sole and absolute discretion at all times and for any reason to cancel (in whole or in part) for an unlimited period and on a non-cumulative basis any interest payment that would otherwise be payable on any Interest Payment Date. If the Issuer does not make an interest payment on the relevant Interest Payment Date (or if the Issuer elects to make a payment of a portion, but not all, of such interest payment), such non-payment shall evidence the Issuer's exercise of its discretion to cancel such interest payment (or the portion of such interest payment not paid), and accordingly such interest payment (or the portion thereof not paid) shall not be due and payable. Any and all interest payments shall be payable only out of Distributable Items. If the Issuer provides notice to cancel a portion, but not all, of an interest payment and the Issuer subsequently does not make a payment of the remaining portion of such interest payment on the relevant Interest Payment Date, such non-payment shall evidence the Issuer's exercise of its discretion to cancel such remaining portion of the interest payment, and accordingly such remaining portion of the interest payment shall also not be due and payable.
Restriction on interest payments:	Payment of interest on the Notes on any Interest Payment Date is subject to restrictions by reference to the amount of Distributable Items and to the Maximum Distributable Amount applicable to the Issuer and/or the Group. Furthermore, the Issuer shall not make any interest payment on the Notes on any Interest Payment Date if so ordered by the Relevant Authority, or following the occurrence of a Trigger Event. "**Distributable Items**" has the meaning given to such term in CRR, as interpreted and applied in accordance with Applicable Banking Regulations, then applicable to the Issuer, where

	"before distributions to holders of own funds instruments" shall be read as a reference to "before distributions to holders of the Notes and to holders of any instruments constituting Own Funds. "**Maximum Distributable Amount**" means any applicable maximum distributable amount relating to the Issuer and/or the Group, as the case may be, required to be calculated in accordance with the CRD IV Directive and/or any other Applicable Banking Regulation(s) (or any provision of Italian law transposing or implementing the CRD IV Directive and/or, if relevant, any other Applicable Banking Regulation(s)).
Non-cumulative interest:	Interest will only be due and payable on an Interest Payment Date to the extent it is not cancelled in accordance with Condition 5.1 (*Discretionary interest payments*) or Condition 5.2 (*Restriction on interest payments*). Any interest cancelled (in each case, in whole or in part) in such circumstances shall not be due and shall not accumulate or be payable at any time thereafter nor constitute an Event of Default under Condition 11 (*Event of Default and Enforcement*) or any other default for any purpose, and Noteholders shall have no rights thereto whether in a bankruptcy or liquidation of the Issuer or otherwise or to receive any additional interest or compensation as a result of such cancellation or deemed cancellation. Any such cancellation of interest imposes no restrictions on the Issuer. The Issuer may use such cancelled payments without restriction to meet its obligations as they fall due.
Interest in case of Write-Down:	Following a Write-Down, Noteholders shall automatically and irrevocably lose their rights to receive, and shall no longer have any rights against the Issuer with respect to, repayment of the Write-Down Amount, or any other amount on or in respect of such Write-Down Amount (but without prejudice to their rights in respect of any principal amount reinstated pursuant to Condition 6.3 (*Principal Reinstatement*)). If a Trigger Event occurs at any time, for so long as the Trigger Event continues, the Issuer shall not make any future interest payment on the Notes and any accrued and unpaid interest on the Notes through to the Write-Down Effective Date (whether or not such interests have become due for payment) shall be automatically cancelled in accordance with Condition 5.2(a)(iv), and shall not be due and payable. Following each Write-Down, interest will accrue on – subject to any subsequent Write-Down(s) or Principal Reinstatement(s) - the Outstanding Principal Amount of each Note as reduced by the Write-Down Amount from (and including) the relevant Write-Down Effective Date.
Write-Down following a Trigger Event:	If at any time a Trigger Event occurs, the Issuer shall irrevocably and mandatorily (without any requirement for the consent or approval of the Holders) write down the Outstanding Principal Amount of each Note (in whole or, as applicable, in part), with effect as from the Write-Down Effective Date, by the relevant Write-Down Amount. "**CET1 Ratio**" means, at any time, the ratio of CET1 capital of the Issuer or the Group (as the case may be) as of such date to the Risk Weighted Assets of the Issuer or the Group (as the case may be) as of the same date, expressed as a percentage. A "**Trigger Event**" means, at any time, that the CET1 Ratio of either the Issuer on a solo basis, or the Group on a consolidated basis (as the case may be) on such date is less than the Trigger Level. Whether a Trigger Event has occurred at any time shall be determined by the Issuer, the Relevant Authority or any agent appointed for such purpose by the Relevant Authority and such

calculation shall be binding on the holders of the Notes.

"**Trigger Level**" means 5.125%.

"**Loss Absorbing Instrument**" refers to, at any time, any Additional Tier 1 instrument (other than the Notes) of the Issuer or, as applicable, the Group that may have all or some of its principal amount written down (whether on a permanent or temporary basis) or converted, in each case, in accordance with its conditions or otherwise, upon the occurrence or as a result of the CET1 Ratio of the Issuer or, as applicable, the Group, falling below a certain trigger level.

"**Write-Down Amount**" means the amount by which each Note shall be written-down, with effect as from the Write-Down Effective Date, being:

(a) the amount that - together with: (x) the concurrent write-down on a *pro rata* basis of the other Notes, and (y) the concurrent (or substantially concurrent) write-down or conversion into equity, on a *pro rata* basis based on their respective Outstanding Principal Amounts, of other Loss Absorbing Instruments that have fallen below the applicable trigger level of such instrument – would be sufficient to restore the CET1 Ratio of the Issuer and/or the Group to the Trigger Level; or

(b) if the write-down (together with (x) the concurrent write-down on a *pro rata* basis of the other Notes; and (y) the concurrent (or substantially concurrent) write-down or conversion into equity, on a *pro rata* basis based on their respective Outstanding Principal Amounts, of other Loss Absorbing Instruments that have fallen below the applicable trigger level of such instrument) is insufficient to restore the CET1 Ratio of the Issuer and/or the Group to the Trigger Level, the amount necessary to reduce the Outstanding Principal Amount of such Note to the smallest unit of such Note (currently one cent), as determined by the Applicable Banking Regulations,

subject as provided in Condition 6.2 (*Effect of Trigger Event*).

Principal Reinstatement:

If a positive Net Income or Consolidated Net Income has been recorded, the Outstanding Principal Amount may (at the discretion of the Issuer) be increased up to a maximum of its Original Principal Amount on a *pro rata* basis with other Loss Absorbing Written-Down Instruments (based on their then prevailing Outstanding Principal Amount), in accordance with (and subject to the limits of) the provisions of Condition 6.3 (*Principal Reinstatement*) and the Applicable Banking Regulations (including, *inter alia*, Article 21 of the Delegated Regulation).

In particular, where restrictions on distributions by reference to Maximum Distributable Amount applies, the proposed Principal Reinstatement of the Notes shall be limited to an amount so that - when aggregated with the payment of all other amounts that fall within the scope of the restrictions on distributions provisions contained in the CRD IV and/or the BRRD from time to time applicable to the Issuer and taking into account any principal reinstatements on other Loss Absorbing Written-Down Instruments - the Maximum Distributable Amount then applicable to the Issuer and/or the Group shall not be exceeded.

Any Principal Reinstatement of the Notes is furthermore subject to limitations by reference to the Maximum Reinstatement Amount. See further Condition 6.3(e)(ii).

No fixed redemption:	The Notes have no fixed redemption date. Unless previously redeemed or purchased and cancelled in accordance with the Conditions, the Notes will mature on the date on which voluntary or involuntary winding up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) proceedings are instituted in respect of the Issuer (otherwise than for the purposes of an Approved Reorganisation), in accordance with, as the case may be, (i) a resolution passed at a shareholders' meeting of the Issuer, (ii) any provision of the Articles of Association of the Issuer (which, as at the date of these Listing Particulars provide for the duration of the Issuer to expire on 31 December 2050, but if such expiry date is extended, the maturity of the Notes will be correspondingly adjusted), or (iii) any applicable legal provision, or any decision of any judicial or administrative authority. Upon maturity, the Notes will become due and payable at an amount equal to their Outstanding Principal Amount together (if any and excluding any interest cancelled in accordance with Condition 5 (*Interest Cancellation*)) with interest accrued to (but excluding) the date of redemption and any additional amounts due and payable pursuant to Condition 9 (*Taxation*).
Redemption at the option of the Issuer:	The Issuer may, at its sole discretion (but subject to the provisions of Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*), redeem the Notes then outstanding in whole, but not in part, on the First Reset Date and on any Interest Payment Date thereafter (each, an "**Optional Redemption Date (Call)**") at their Outstanding Principal Amount together with accrued and unpaid interest (if any and to the extent not cancelled pursuant to Condition 5 (*Interest cancellation*)) to (but excluding) the date of redemption and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*). The Notes shall not be redeemed at the option of the Noteholders.
Redemption due to a Regulatory Event:	The Issuer may, at its sole discretion (but subject to the provisions of Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*)), redeem, in whole but not in part, the Notes then outstanding, following the occurrence of a Regulatory Event at their Outstanding Principal Amount together with accrued and unpaid interest (if any and to the extent not cancelled pursuant to Condition 5 (*Interest Cancellation*)) to (but excluding) the date of redemption and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*). "**Regulatory Event**" means any change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Notes from their classification on the Issue Date that results, or would be likely to result, in their exclusion in full or, to the extent permitted under the Applicable Banking Regulations, in part, from the Additional Tier 1 capital of the Issuer or the Group (as the case may be) or, where applicable in accordance with the Applicable Banking Regulations, a reclassification as a lower quality form of Own Funds and, prior to the fifth anniversary from the Issue Date, if and to the extent then required under the Applicable Banking Regulations, both of the following conditions are met: (i) the Relevant Authority considers such a change to be sufficiently certain; and (ii) the Issuer demonstrates to the satisfaction of the Relevant Authority that the change in regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date.
Redemption for tax reasons:	The Issuer may, at its sole discretion (but subject to the provisions of Condition 8.8 (*Regulatory conditions for call,*

redemption, repayment or purchase), redeem, in whole but not in part the Notes then outstanding, following the occurrence of a Tax Event at their Outstanding Principal Amount together with accrued and unpaid interest (if any and to the extent not cancelled pursuant to Condition 5 (*Interest cancellation*)) to (but excluding) the date of redemption and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*).

A "**Tax Event**" shall be deemed to have occurred if:

(a) (x) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay Additional Amounts as provided or referred to in Condition 9 (*Taxation*), or (y) part of the interest payable by the Issuer in respect of the Notes is no longer, or will no longer be, deductible for Italian corporate income tax purposes, in each case, as a result of any Tax Law Change; and

(b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

Clean-Up Call:

The Notes may be redeemed at the option of the Issuer in whole but not in part (but subject to the provisions of Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*), at their Outstanding Principal Amount together with accrued and unpaid interest (if any and to the extent not cancelled pursuant to Condition 5 (*Interest cancellation*)) to (but excluding) the date of redemption and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*), if at least 75% of the initial aggregate principal amount of the Notes has been purchased by, or on behalf of the Issuer and cancelled. See further Condition 8.5 (*Clean-Up Call*).

Conditions to redemption and purchase:

The Notes may only be redeemed, purchased, substituted or modified pursuant to the Conditions with the prior approval of the Relevant Authority. Any such redemption or purchase is furthermore subject to the conditions set out in Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

Notes subject to Bail-In Power:

Each Noteholder, by virtue of its acquisition of the Notes (whether on issuance or in the secondary market), agrees to be bound by and consent to:

(a) the effects of the exercise of the Bail-In Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (A) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (B) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions; (C) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (D) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest become payable, including by suspending payment for a temporary period; and

(b) the variation of the Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Bail-In Power by the Relevant Authority.

Each Noteholder further agrees that the rights of the Noteholders are subject to, and will be varied if necessary so as to give effect to, the exercise of any Bail-In Power by the Relevant Authority.

"**Bail-In Power**" means any statutory write-down, conversion, transfer, modification or suspension power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of credit institutions, investment firms and/or group entities in effect and applicable to the Issuer or other entities of the Group (as the case may be) including but not limited to any laws, regulations, rules or requirements set forth in or implementing the BRRD, the BRRD Implementing Decrees and/or the SRM Regulation or any successor laws, regulations, rules or requirements establishing a framework for the recovery and resolution of the Issuer (and/or other entities of the Group, where applicable) within the context of a relevant Member State resolution regime or otherwise, pursuant to which liabilities of the Issuer (and/or other entities of the Group, where applicable) can be reduced, cancelled, transferred, modified, suspended or restricted for a temporary period and/or converted into shares or obligations of the obligor or any other person, whether in combination with a resolution action or otherwise.

Non-viability loss absorption

The Notes may furthermore be subject to write-down or conversion into equity on application of the non-viability loss absorption under the BRRD.

Modification following a Regulatory Event, a Tax Event or an Alignment Event, or to ensure effectiveness and enforceability of the Bail-In Power:

Where (i) a Regulatory Event, a Tax Event or an Alignment Event has occurred and is continuing, and/or (ii) in order to ensure the effectiveness and enforceability of the Bail-In Power in accordance with Condition 17 (*Contractual Recognition of Bail-In Power*) or in accordance with applicable law, the Issuer shall be entitled to modify the terms and conditions of the Notes, in accordance with and subject to the conditions set out in Condition 14.2 (*Modification of the Notes for Regulatory Event, Tax Event or Alignment Event, or to ensure effectiveness and enforceability of Bail-In Power*).

Benchmark Amendments:

On the occurrence of a Benchmark Event in respect of an Original Reference Rate, the Issuer may (subject to certain conditions and following consultation with an Independent Adviser) determine a Successor Reference Rate, failing which an Alternative Reference Rate and, in either case, an Adjustment Spread, if any, and any Benchmark Amendments (each term as defined in the Conditions) in accordance with Condition 4.4 (*Benchmark Event*).

Taxation:

All payments in respect of the Notes will be made free and clear of, and without withholding or deduction for, or on account of, withholding taxes imposed by or on behalf of any Tax Jurisdiction, unless a withholding or deduction is required by law. In that event, the Issuer will be required to pay – to the extent such payment can be made out of Distributable Items on the same basis as for payment of interest in accordance with Condition 5 (*Interest Cancellation*) and if permitted by Applicable Banking Regulations, and subject as provided in Condition 9 (*Taxation*) – additional amounts in respect of interest (but not on principal) as will result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required.

	However, in certain circumstances and as more fully set out in Condition 9 (*Taxation*), the Issuer shall not be liable to pay any Additional Amounts to Noteholders with respect to any payment, withholding or deduction pursuant to Legislative Decree No. 239 of 1 April 1996 on account of Italian substitute tax (*imposta sostitutiva*).
Risk Factors:	There are certain risks related to the holding of the Notes which investors should ensure they fully understand. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed in the section headed "*Risk Factors*".
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, Italian law.
Listing and Trading:	Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and to trading on the Global Exchange Market, which is the exchange regulated market of Euronext Dublin, with effect from the Issue Date. The Global Exchange Market is not a regulated market for the purposes of MiFID II.

Form of the Notes:	The Notes will be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders as of their respective date of issue. The expression "**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear and Clearstream, Luxembourg. The Notes have been accepted for clearance by Monte Titoli. The Notes will at all times be held in book entry form and title to the Notes will be evidenced by book entries pursuant to the relevant provisions of Italian Legislative Decree dated 24 February 1998, No. 58, as subsequently amended and supplemented (the "**Italian Finance Act**") and in accordance with the *Commissione Nazionale per le società e la Borsa* ("**CONSOB**") and Bank of Italy Joint Regulation dated 13 August 2018, as subsequently amended and supplemented ("**CONSOB and Bank of Italy Joint Regulation**"). No physical document of title will be issued in respect of the Notes. However, the Noteholders may ask the relevant intermediaries for certification of their holding pursuant to Article 83-*quinquies* and 83-*sexies* of the Italian Finance Act.
ISIN:	IT0005688921
Clearing systems:	Monte Titoli
Selling restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area (including the Republic of Italy and France), the United Kingdom, Japan and Singapore. See "*Subscription and Sale*".
Prohibition of Sales to EEA Retail Investors and/or to UK Retail Investors:	The Notes are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area and/or in the United Kingdom.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with these Listing Particulars and have been filed with Euronext Dublin shall be incorporated by reference in, and form part of, these Listing Particulars, each to the extent specified in the cross-reference list further below:

(a) the English translation of the audited consolidated annual financial statements of the Group as at and for the year ended 31 December 2025 (the "**2025 Annual Financial Statements**"), which were audited by PricewaterhouseCoopers S.p.A., together with the audit report prepared in connection therewith, to the extent of the pages indicated in the cross-reference table below, available at: https://bancafucino.it/sites/default/files/2026-05/AT1_Bilancio_Consolidato_2025_EN_0.pdf; and

(b) the English translation of the audited consolidated annual financial statements of the Group as at and for the year ended 31 December 2024 (the "**2024 Annual Financial Statements**"), which were audited by PricewaterhouseCoopers S.p.A., together with the audit report prepared in connection therewith, to the extent of the pages indicated in the cross-reference table below, available at: https://bancafucino.it/sites/default/files/2026-05/AT1_Bilancio_Consolidato_2024_EN_0.pdf.

Any statement contained in these Listing Particulars or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of these Listing Particulars to the extent that a statement contained in any such subsequent document which is incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of these Listing Particulars.

Copies of documents incorporated by reference into these Listing Particulars can be obtained free of charge from the specified office of the Issuer in each case at the address given at the end of these Listing Particulars and will be available for viewing on the website of the Issuer (at https://bancafucino.it/sito-istituzionale/investor-relations/documenti-societari).

Any documents which are themselves incorporated by reference in the documents incorporated by reference in these Listing Particulars shall not form part of these Listing Particulars (unless they are being separately incorporated by reference in these Listing Particulars under this section).

Cross Reference List

The following table shows where the information incorporated by reference into these Listing Particulars can be found in the above mentioned documents incorporated by reference into these Listing Particulars.

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TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes

This Note is one of a Series (as defined below) of the €40,000,000 12.000% Additional Tier 1 Notes (the "**Notes**") (ISIN IT0005688921) issued by Banca del Fucino S.p.A. (the "**Issuer**"), authorised by resolutions of the board of directors of the Issuer passed on 30 September 2025, 27 November 2025, 25 March 2026, 28 May 2026, 30 June 2026 and 16 July 2026, on the basis of these terms and conditions (the "**Conditions**" and each, a "**Condition**"). The Issuer will also act as paying agent for the Notes (the "**Paying Agent**"), save that the Issuer is entitled to appoint a different Paying Agent for the Notes in accordance with Condition 12 (*Paying Agents*). References in these Conditions to "**Paying Agent**" shall mean, for so long as the Issuer acts as paying agent for the Notes, the Issuer in its capacity as such, or such other party from time to time appointed by the Issuer to act as paying agent for the Notes.

References in these Conditions to the "**holder**" of a Note or to "**Noteholders**" are to the beneficial owners of Notes issued in dematerialised form and evidenced in book entry form with Monte Titoli S.p.A. ("**Monte Titoli**", trading under the commercial name Euronext Securities Milan) pursuant to the relevant provisions of Legislative decree No. 58 of 24 February 1998, as amended (the "**Italian Finance Act**") and in accordance with the CONSOB and Bank of Italy Regulation dated 13 August 2018, as subsequently amended and supplemented from time to time (the "**CONSOB and Bank of Italy Joint Regulation**"). No physical document of title will be issued in respect of the Notes. Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") are intermediaries authorised to operate through Monte Titoli.

Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent to the accounts of the Monte Titoli Account Holders (as defined below) whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Notes or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream, Luxembourg, as the case may be. In these Conditions, the expression "**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depositary banks appointed by Euroclear and Clearstream, Luxembourg.

As used herein, "**Series**" means a tranche of the Notes together with further tranche(s) of the Notes (if any) issued pursuant to Condition 15 (*Further Issues*) which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

1. FORM, DENOMINATION AND TITLE

The Notes are in denominations of €200,000 and integral multiples of €1,000 in excess thereof, and will be held in dematerialised form on behalf of the beneficial owners by Monte Titoli for the account of the relevant Monte Titoli Account Holders as of their date of issue. Monte Titoli shall act as depository for Euroclear and Clearstream, Luxembourg. The Notes will at all times be evidenced by, and title to the Notes will be established or transferred by way of, book-entries pursuant to the relevant provisions of the Italian Finance Act and in accordance with the CONSOB and Bank of Italy Joint Regulation. No physical document of title will be issued in respect of the Notes. For so long as the Notes are held by Monte Titoli, they will be transferable only in accordance with the rules and procedures for the time being of Monte Titoli.

In determining whether a particular person is entitled to a particular principal amount of the Notes, the Paying Agent may rely, without liability, on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

References to the records of Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be to the records for which Monte Titoli acts as depository.

2. DEFINITIONS

2.1 In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**5-year Mid-Swap Rate**" means, in relation to a Reset Interest Period and the Reset Determination Date in relation to such Reset Interest Period, (a) the annual mid-swap rate for euro swap transactions with a term of five years, expressed as a percentage, which appear on the Relevant Screen Page as of 11.00 (CET) on such Reset Determination Date; or (b) in the circumstances described in Condition 4.3 (*Fallbacks*), the Reset Reference Bank Rate determined in accordance with Condition 4.3 (*Fallbacks*).

"**5-year Mid-Swap Rate Quotations**" means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap transaction which:

(a) has a term of five years commencing on the relevant Reset Date;

(b) is in a Representative Amount; and

(c) has a floating leg (calculated on an Actual/360 day count basis) based on EURIBOR (the "**Mid-Swap Floating Leg Benchmark Rate**") for a 6-month period ("**EURIBOR 6-month**"). EURIBOR 6-month shall – subject to Condition 4.4 (*Benchmark Event*) – be the rate for deposits in euro for a six-month period which appears on the Relevant Screen Page as of 11.00 (CET) on the Reset Determination Date for the relevant Reset Date; or (y) if such rate does not appear on the Relevant Screen Page at such time on such Reset Determination Date, the arithmetic mean of the rates at which deposits in euro are offered by four major banks in the Eurozone interbank market, as selected by the Issuer, at such time on such Reset Determination Date to prime banks in the Eurozone interbank market for a six-month period commencing on such Reset Date in a Representative Amount, with the Calculation Agent to request the principal Eurozone office of each such major bank to provide a quotation of its rate.

"**Actual/360**" means the actual number of days in the relevant period divided by 360;

"**Additional Tier 1**" has the meaning given to it (or, if no longer used, any equivalent or successor term) in the Applicable Banking Regulations taking into account any transitional arrangements under the Capital Instruments Regulations;

"**Additional Tier 1 Capital**" has the meaning given to it by (i) the Relevant Authority or (ii) the Applicable Banking Regulations or any regulation, directive or other binding rules, standards or decisions adopted by the institutions of the European Union from time to time, as applicable;

an "**Alignment Event**" will be deemed to have occurred if, as a result of a change in or amendment to the Applicable Banking Regulations or interpretation thereof, at any time after the Issue Date, the Issuer would be able to issue a capital instrument qualifying as Additional Tier 1 Capital that contains one or more provisions that are, in the reasonable opinion of the Issuer, different in any material respect from those contained in these Conditions;

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

"**Approved Reorganisation**" means a solvent and voluntary reorganisation involving, alone or with others, the Issuer, and whether by way of consolidation, amalgamation, merger, transfer of all or substantially all of its business or assets, or otherwise provided that the principal resulting, surviving or transferee entity (a "**Resulting Entity**") is a banking company and effectively assumes all the obligations of the Issuer, under, or in respect of, the Notes;

"**Bail-In Power**" means any statutory write-down, conversion, transfer, modification or suspension power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of credit institutions, investment firms and/or group entities in effect and applicable to the Issuer or other entities of the Group (as the case may be) including but not limited to any laws, regulations, rules or requirements set forth in or implementing the BRRD, the BRRD Implementing Decrees and/or the SRM Regulation or any successor laws, regulations, rules or requirements establishing a framework for the recovery and resolution of the Issuer (and/or other entities of the Group, where applicable) within the context of a relevant Member State resolution regime or otherwise, pursuant to which liabilities of the Issuer (and/or other entities of the Group, where applicable) can be reduced, cancelled, transferred, modified, suspended or restricted for a temporary period and/or converted into shares or obligations of the obligor or any other person, whether in combination with a resolution action or otherwise.

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

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

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, supplemented or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

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

"**Business Day**" means a day which is both:

(a) 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

(b) a day on which the real-time gross settlement system operated by the Eurosystem, or any successor system ("**T2**") is open;

"**Calculation Agent**" means the Paying Agent, or such other person appointed by the Issuer from time to time to act as calculation agent for the Notes;

"**Capital Instruments Regulations**" means the Delegated Regulation and any other rules or regulations of the Relevant Authority or of the institutions of the European Union or which are otherwise applicable to the Issuer or the Group (as the case may be), whether introduced before or after the Issue Date, which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the Own Funds of the Issuer or the Group (as the case may be) to the extent required under the CRD IV Package (including, without limitation, any rules or regulations implementing the Banking Reform Package, the CRD VI and the CRR III);

"**CET1 capital**" or "**Common Equity Tier 1 capital**" has the meaning, in respect of either the Issuer on a solo basis or the Group on a consolidated basis (as the case may be), given to it in the CRR complemented by the applicable transitional provisions of the Applicable Banking Regulations as implemented in Italy, in each case as calculated by the Issuer in accordance with the Applicable Banking Regulations then applicable to the Issuer or the Group (as the case may be), which calculation shall be binding on the Noteholders;

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

"**CET1 Ratio**" means, at any time, the ratio of CET1 capital of the Issuer or the Group (as the case may be) as of such date to the Risk Weighted Assets of the Issuer or the Group (as the case may be) as of the same date, expressed as a percentage;

"**Consolidated Net Income**" means the net income of the Group as set out in the most recently published audited consolidated financial statements after such financial statements have been formally approved by the board of directors of the Issuer;

"**Circular No. 285**" means the Bank of Italy Circular No. 285 of 17 December 2013, setting forth the supervisory provisions for banks (*Disposizioni di Vigilanza per le Banche*), as amended, supplemented or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**CRD IV**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended, supplemented or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package and the CRD VI);

"**CRD VI**" means Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches and environmental, social and governance risks;

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

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as amended, supplemented or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**CRR III**" means Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending the Regulation (EU) No 575/2013 as regards requirements for credit risks, credit valuation adjustment risk, operational risk, market risk and the output floor;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with Condition 4 (*Interest*), "**Actual/Actual (ICMA)**", which means:

(i) where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Interest Determination Dates that would occur in one calendar year; or

(ii) where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Interest Determination Dates that would occur in one calendar year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Interest Determination Dates that would occur in one calendar year;

"**Delegated Regulation**" means Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014 supplementing the CRR with regard to the regulatory technical standards for Own Funds requirements for institutions, as amended, supplemented or replaced from time to time (including, without limitation, as a consequence of any rules or regulations implementing the Banking Reform Package);

"**Determination Period**" means each period from (and including) an Interest Determination Date to (but excluding) the next Interest Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not an Interest Determination Date, the period commencing on the first Interest Determination Date prior to, and ending on the first Interest Determination Date falling after, such date);

"**Distributable Items**" has the meaning given to such term in CRR, as interpreted and applied in accordance with Applicable Banking Regulations then applicable to the Issuer, where "before distributions to holders of own funds instruments" shall be read as a reference to "before distributions to holders of the Notes and to holders of any instruments constituting Own Funds";

"**First Interest Payment Date**" means 4 February 2027;

"**First Reset Date**" means 4 August 2031;

"**Group**" means the Issuer and its consolidated Subsidiaries (or any other entities that are consolidated in the Issuer's calculation of its Own Funds on a consolidated basis in accordance with Applicable Banking Regulations);

"**Interest Commencement Date**" means the Issue Date of the Notes;

"**Interest Determination Date**" means 4 February and 4 August in each year;

"**Interest Payment Date**" means 4 February and 4 August in each year from (and including) the First Interest Payment Date;

"**Issue Date**" means 4 August 2026;

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

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"**Loss Absorbing Instrument**" refers to, at any time, any Additional Tier 1 instrument (other than the Notes) of the Issuer or, as applicable, the Group that may have all or some of its principal amount written down (whether on a permanent or temporary basis) or converted, in each case, in accordance with its conditions or otherwise, upon the occurrence or as a result of the CET1 Ratio of the Issuer or, as applicable, the Group, falling below a certain trigger level;

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

"**Loss Absorbing Written-Down Instrument**" refers to, at any time, a Loss Absorbing Instrument that has had all or some of its principal amount written down on a temporary basis;

"**Margin**" means 9.346%, being equal to the margin used to calculate the Initial Rate of Interest;

"**Maximum Distributable Amount**" means any applicable maximum distributable amount relating to the Issuer and/or the Group, as the case may be, required to be calculated in accordance with the CRD IV Directive and/or any other Applicable Banking Regulation(s) (or any provision of Italian law transposing or implementing the CRD IV Directive and/or, if relevant, any other Applicable Banking Regulation(s));

"**Maximum Reinstatement Amount**" has the meaning given to such term in Condition 6.3 (*Principal Reinstatement*);

"**Net Income**" means the non-consolidated net income of the Issuer as calculated on a statutory basis and as set out in the most recently published audited financial statements after such financial statements have been formally approved by the shareholders' meeting;

"**Optional Redemption Date (Call)**" means the First Reset Date and any Interest Payment Date thereafter;

"**Original Principal Amount**" means the principal amount (which, for these purposes, is equal to the nominal amount) of the Notes or, as the case may be, the Loss Absorbing Instrument, upon issuance without regard to any subsequent write-down or principal reinstatement;

"**Outstanding Principal Amount**" means (i) in respect of a Note or the Notes, the outstanding principal amount thereof, as adjusted from time to time for any reduction as required by then current legislation and/or regulations applicable to the Issuer (including as a result of the Loss Absorption Requirement), or pursuant to a Write-Down under these Conditions and (if applicable) reinstated on one or more occasions following a Principal Reinstatement under these Conditions, in each case rounded to two decimal places, with 0.005 rounded down, and provided that it may never be reduced below the smallest unit of a Note (currently one cent); and (ii) in respect of a Loss Absorbing Instrument, the principal amount thereof calculated on a basis analogous to the calculation of the Outstanding Principal Amount of the Notes;

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

"**Principal Reinstatement Amount**" means the amount by which the Outstanding Principal Amount of each Note in effect prior to the relevant Principal Reinstatement, is to be reinstated and written up on the Principal Reinstatement Effective Date on the balance sheet of the Issuer, as specified in the relevant Reinstatement Notice;

"**Principal Reinstatement Effective Date**" means the date on which Outstanding Principal Amount of each Note is reinstated and written up (in whole or in part) on the balance sheet of the Issuer, as specified in the relevant Reinstatement Notice;

"**Reference Banks**" means five leading swap dealers in the Eurozone interbank market as selected by the Issuer in its discretion;

"**Regulatory Event**" means any change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Notes from their classification on the Issue Date that results, or would be likely to result, in their exclusion in full or, to the extent permitted under the Applicable Banking Regulations, in part, from the Additional Tier 1 capital of the Issuer or the Group (as the case may be) or, where applicable in accordance with the Applicable Banking Regulations, a reclassification as a lower quality form of Own Funds and, prior to the fifth anniversary from the Issue Date, if and to the extent then required under the Applicable Banking Regulations, both of the following conditions are met: (i) the Relevant Authority considers such a change to be sufficiently certain; and (ii) the Issuer demonstrates to the satisfaction of the Relevant Authority that the change in regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date;

"**Relevant Authority**" means, as the context may require, (i) the European Central Bank or the Bank of Italy, acting within the framework of the Single Supervisory Mechanism, or any successor or replacement authority having responsibility for the prudential oversight and supervision of the Issuer or the Group (as the case may be), and/or (ii) the Single Resolution Board, the European Council, the European Commission or the Bank of Italy, acting within the framework of the Single Resolution Mechanism, or any successor or replacement authority having responsibility for the resolution of the Issuer or other entities of the Group (as the case may be);

"**Relevant Screen Page**" means the display page on the relevant Bloomberg / Reuters information service designated as:

(a) in the case of the 5-year Mid-Swap Rate, the "ICAE 1" page; or

(b) in the case of EURIBOR 6-month, the "EURIBOR06" page,

or in each case such other page, section or other part as may replace that page on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates equivalent or comparable thereto;

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market;

"**Reset Date**" means the First Reset Date and every fifth anniversary thereof;

"**Reset Determination Date**" means, in relation to a Reset Interest Period, the day falling two T2 Settlement Days immediately preceding the Reset Date on which such Reset Interest Period commences;

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

"**Reset Rate of Interest**" means, in relation to a Reset Interest Period, the sum of (a) subject to Condition 4.4 (*Benchmark Event*), the 5-year Mid-Swap Rate in relation to that Reset Interest Period; and (b) the Margin, first calculated on an annual basis and then converted to a semi-annual rate in accordance with market convention (rounded to four decimal places, with 0.00005 rounded down), all as determined by the Calculation Agent on the relevant Reset Determination Date;

"**Reset Reference Bank Rate**" means, in relation to a Reset Interest Period and the Reset Determination Date in relation to such Reset Interest Period, the percentage rate determined in accordance with the provisions set out in Condition 4.3 (*Fallbacks*).

"**Risk Weighted Assets**" means, at any time, the aggregate amount of the risk weighted assets of the Issuer on a solo basis or the Group on a consolidated basis (as the case may be) as of such date, as calculated by the Issuer in accordance with the Applicable Banking Regulations, including any applicable transitional arrangements;

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

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

"**SRM Regulation**" means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund, as amended, supplemented or replaced from time to time (including as a consequence of the entry into force of the Banking Reform Package);

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

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent;

"**Subsidiary**" means any company or person that is controlled by the Issuer pursuant to Article 23 of the Italian Banking Act;

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

"**Tax Law Change**" means any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 9 (*Taxation*)) (including any treaty to which the Tax Jurisdiction is a party) or any change in the application or official or generally published interpretation of such laws or regulations (including a change or amendment resulting from a ruling by a court or tribunal of competent jurisdiction), which change or amendment becomes effective on or after the Issue Date.

"**Tier 2 Capital**" means at any time tier 2 capital as interpreted and applied in accordance with the Applicable Banking Regulations, taking into account any transitional arrangements under the Capital Instruments Regulations;

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

a "**Trigger Event**" means, at any time, that the CET1 Ratio of either the Issuer on a solo basis, or the Group on a consolidated basis (as the case may be) on such date is lower than the Trigger Level. Whether a Trigger Event has occurred at any time shall be determined by the Issuer, the Relevant Authority or any agent appointed for such purpose by the Relevant Authority and such calculation shall be binding on the holders of the Notes;

"**Trigger Level**" means 5.125%; and

"**Write-Down**" means, with reference to these Notes, a reduction of the Outstanding Principal Amount of each Note by the relevant Write-Down Amount in accordance with Condition 6 (*Loss Absorption following a Trigger Event*) and "written down" shall be construed accordingly.

3. STATUS OF THE NOTES

3.1 The Notes are direct, unconditional, unsecured and subordinated obligations of the Issuer that are intended to qualify for regulatory purposes as Additional Tier 1 capital of the Issuer and the Group in accordance with Article 52 of the CRR and Part II, Chapter 1 of Circular No. 285 (or any successor rules under the Applicable Banking Regulations).

The payment obligations of the Issuer under the Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking *pari passu* without any preference among themselves and shall rank:

(a) whilst the Notes constitute, fully or partially, Additional Tier 1 Capital:

   (i) junior to all present or future unsecured and unsubordinated obligations of the Issuer (including depositors of the Issuer), the Issuer's obligations in respect of any Tier 2 Instruments and any other present or future subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Notes (including any subordinated instruments that have ceased to qualify in their entirety as Own Funds);

   (ii) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Notes (including Additional Tier 1 instruments); and

   (iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under instruments or items included in the CET1 capital of the Issuer).

(b) if and when the Notes do not qualify or cease to qualify in their entirety as Additional Tier 1 Capital but so long as they constitute, fully or partly, Tier 2 Capital:

(i) junior to (i) all present or future unsecured and unsubordinated obligations of the Issuer (including depositors of the Issuer) and (ii) any other present or future unconditional, unsecured and subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Notes (including any subordinated instruments that have ceased to qualify in their entirety as Own Funds);

(ii) *pari passu* with (i) the Issuer's obligations in respect of any Tier 2 Instruments, save to the extent any such subordinated obligation rank, or are expressed to rank, senior or junior to the Notes; and (ii) any securities or other obligations of the Issuer that rank, or are expressed to rank, in liquidation or bankruptcy of the Issuer, *pari passu* with instruments qualified in whole or in part as Tier 2 Capital; and

(iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Notes (including, without limitation, the claims of the shareholders of the Issuer and any other present or future obligations under instruments or items included in the CET1 capital of the Issuer, or under Additional Tier 1 instruments).

(c) if the Notes respectively do not qualify or cease to qualify in their entirety as Additional Tier 1 Capital and Tier 2 Capital:

(i) junior to all present or future unsecured and unsubordinated obligations of the Issuer (including depositors of the Issuer) and any other present or future unconditional, unsecured and subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to subordinated instruments that have ceased to qualify in their entirety as Own Funds;

(ii) *pari passu* with all other present or future subordinated obligations of the Issuer that do not qualify or have ceased to qualify, in their entirety, as Own Funds and with all other subordinated obligations of the Issuer that have such ranking; and

(iii) senior to instruments which qualify (in whole or in part) as own fund items (including, without limitation, the claims of the shareholders of the Issuer, Additional Tier 1 instruments and Tier 2 Instruments) and any present or future subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Notes.

3.2 No security or guarantee of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the Noteholders. In the event of the liquidation, dissolution, winding-up (including, *inter alia*, *Liquidazione Coatta Amministrativa*, as described in Articles 80 to 94 of the Consolidated Banking Act) of the Issuer that occurs after the date on which a Trigger Event occurs but before the Write-Down Effective Date (as defined in Condition 6.2(b)), the rights and claims (if any) of the Noteholders in respect of their Notes shall be limited to such amount, if any, as would have been payable to Holders on a return of assets in such liquidation or bankruptcy of the Issuer if the Write-Down Effective Date had occurred immediately before the occurrence of such liquidation, dissolution or winding up of the Issuer.

3.3 Each holder of a Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Note.

3.4 It is the intention of the Issuer that the Notes shall, for regulatory purposes, be treated as Additional Tier 1 capital, but the obligations of the Issuer and the rights of the Noteholders shall not be affected if the Notes no longer qualify as Additional Tier 1 capital. However, the Issuer may redeem the Notes in accordance with Condition 8.3 (*Redemption for regulatory reasons*).

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

3.6 There is no negative pledge in respect of the Notes.

4. INTEREST

4.1 Initial Rate of Interest and Reset Rate of Interest

Each Note bears interest on its Outstanding Principal Amount, on a non-cumulative basis:

(a) in respect of the Interest Period from (and including) the Interest Commencement Date to (but excluding) the First Reset Date, at a fixed rate of 12.000 per cent. per annum (the "**Initial Rate of Interest**"), being the rate that is equal to the sum of (x) the mid-swap rate for euro swap transactions with a term of 5 years (interpolated) commencing on the Issue Date; and (y) the Margin, first calculated on an annual basis and then converted to a semi-annual rate in accordance with market convention (rounded to four decimal places, with 0.00005 rounded down); and

(b) in respect of the Interest Period from (and including) the First Reset Date to (but excluding) the next Reset Date, and each successive Reset Interest Period, at the Reset Rate of Interest in respect of the relevant Reset Interest Period, as determined by the Calculation Agent,

(the "**Rate of Interest**") payable, subject as provided in these Conditions, semi-annually in arrear on each Interest Payment Date. The first interest payment shall be made on 4 February 2027 in respect of the period from (and including) the Issue Date to (but excluding) 4 February 2027.

4.2 Determination of Reset Rate of Interest in relation to a Reset Interest Period

Subject to Condition 4.4 (*Benchmark Event*), the Calculation Agent will, as soon as reasonably practicable after 11:00 a.m. (Central European time) on each Reset Determination Date in relation to a Reset Interest Period, determine the Reset Rate of Interest for such Reset Interest Period.

4.3 Fallbacks

(a) If on any Reset Determination Date, the Relevant Screen Page is not available or the 5-year Mid-Swap Rate does not appear on the Relevant Screen Page, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its 5-year Mid-Swap Rate Quotations as at approximately 11.00 a.m. (CET) on such Reset Determination Date. If at least three quotations are provided, the Reset Reference Bank Rate for such Reset Period will be the percentage reflecting 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). If only two quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided.

(b) If no quotations are provided, the Reset Reference Bank Rate for the relevant Reset Interest Period shall be: (x) in the case of each Reset Interest Period other than the Reset Interest Period commencing on the First Reset Date, the 5-year Mid-Swap Rate that most recently appeared on the Relevant Screen Page; or (y) in respect of the Reset Interest Period commencing on the First Reset Date, 3.014% per annum (being the 5-year Mid-Swap Rate at the time of pricing).

4.4 Benchmark Event

Notwithstanding the provisions in this Condition 4, if the Issuer determines that a Benchmark Event has occurred in relation to the Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions shall apply:

(a) the Issuer shall use reasonable endeavours to select and appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Reference Rate, failing which an Alternative Reference Rate, and in each case an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) no later than five Business Days prior to the Reset Determination Date relating to the next Reset Interest Period (the "**IA Determination Cut-off Date**"), for the purposes of determining the Reset Rate of Interest applicable to the Notes for such next Reset Interest Period and for all other future Reset Interest Periods (subject to the subsequent operation of this Condition 4.4 (*Benchmark Event*) during any other future Reset Interest Period(s));

(ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer is unable to determine a Successor Reference Rate or an Alternative Reference Rate (as applicable) prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine: (A) a Successor Reference Rate; or (B) an Alternative Reference Rate and, in each case, an Adjustment Spread (if any) no later than three Business Days prior to the Reset Determination Date relating to the next Reset Interest Period (the "**Issuer Determination Cut-off Date**"), for the purposes of determining the Reset Rate of Interest applicable to the Notes for such next Reset Interest Period and for all other future Reset Interest Periods (subject to the subsequent operation of this Condition 4.4 during any other future Reset Interest Period(s)). Without prejudice to the definitions thereof, for the purposes of determining any Alternative Reference Rate and/or any Adjustment Spread, the Issuer will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

(iii) if a Successor Reference Rate or, failing which, an Alternative Reference Rate (as applicable) and, in either case, an Adjustment Spread is determined by the relevant Independent Adviser or the Issuer (as applicable) in accordance with this Condition 4.4:

(A) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall replace the Original Reference Rate to determine the Reset Rate of Interest (or the relevant component part thereof) for all future Reset Interest Periods for which the Reset Rate of Interest (or the relevant component part thereof) was otherwise to be determined by reference to the Original Reference Rate (subject to the subsequent operation of, and adjustment as provided in, this Condition 4.4);

(B) if the relevant Independent Adviser or the Issuer (as applicable):

(I) determines that an Adjustment Spread is required to be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) for all future Reset Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 4.4); or

(II) is unable to determine the quantum of, or a formula or methodology for determining, an Adjustment Spread, then such Successor Reference Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread for all future Reset Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 4.4); and

(C) the relevant Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) may in its discretion specify:

(I) changes to these Conditions in order to follow market practice in relation to such Successor Reference Rate or Alternative Reference Rate (as applicable), including, but not limited to (1) any Reference Banks, the definitions of Day Count Fraction, Reset Determination Date, and/or Relevant Screen Page applicable to the Notes and (2) the method for determining the fallback to the Reset Rate of Interest in relation to the Notes if such Successor Reference Rate or Alternative Reference Rate (as applicable) is not available; and

(II) any other changes which the relevant Independent Adviser or the Issuer (as applicable) determines are reasonably necessary to ensure the proper operation and comparability to the Original Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable),

which changes shall apply to the Notes for all future Reset Interest Periods (subject to the subsequent operation of this Condition 4.4) (each such change, together with any such change required pursuant to Condition 4.4(iii)(C)(I) above, a "**Benchmark Amendment**" and, together, the "**Benchmark Amendments**"); and

(iv) promptly following the determination of (a) any Successor Reference Rate or Alternative Reference Rate (as applicable) and (b) if applicable, any Adjustment Spread, the Issuer shall give notice thereof and of any changes (and the effective date thereof) pursuant to Condition

4.4(iii)(C) to the Paying Agent and, if applicable, the Calculation Agent and the Noteholders in accordance with Condition 13 (*Notices*). Any Benchmark Amendments effected pursuant to Condition 4.4(iii)(C) shall similarly be notified to the Noteholders in accordance with Condition 13 (*Notices*).

No consent of the Noteholders shall be required in connection with the determination by the Issuer or, as the case may be, the Independent Adviser of the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) or in connection with any Benchmark Amendment as described in this Condition 4.4 (*Benchmark Event*), including any changes to these Conditions. Any such determination shall (in the absence of manifest error) be binding on all Noteholders and (in the absence of manifest error as aforesaid) no liability to the Noteholders shall attach to the Issuer or, as applicable, the Independent Adviser, in connection with such determination.

For the avoidance of doubt, if a Successor Reference Rate or an Alternative Reference Rate is not determined pursuant to the operation of this Condition 4.4 prior to the relevant Issuer Determination Cut-off Date, then the Rate of Interest for the next Interest Period shall be determined by reference to the fallback provisions of Condition 4.3(*Fallbacks*).

Notwithstanding any other provision of this Condition 4.4 (*Benchmark Event*): (i) no Successor Reference Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 4.4, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as: regulatory capital or, in the determination of the Issuer, the same could reasonably be expected to result in the Relevant Authority treating an Interest Payment Date or a Reset Date as the effective maturity of the Notes.

In no event shall the Calculation Agent (in its capacity as such) be responsible for determining any Successor Reference Rate, Alternative Reference Rate, Adjustment Spread, Benchmark Event, or any Benchmark Amendment. The Calculation Agent will be entitled to conclusively rely on any determinations made by the Issuer or the Independent Adviser and will have no liability for such actions taken at the direction of the Issuer or the Independent Adviser.

For the purposes of this Condition 4.4:

"**Adjustment Spread**" means a spread (which may be positive or negative) or formula or methodology for calculating a spread, in each case, which the Independent Adviser (or the Issuer, as applicable) determines is required to be applied to the Successor Reference Rate or an Alternative Reference 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 Noteholders as a result of the replacement of the Original Reference Rate with such Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

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

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

(iii) if it is determined that no such spread is customarily applied, the Independent Adviser or the Issuer, as applicable, 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 Reference Rate or the Alternative Reference Rate (as the case may be); or

(iv) (if the Independent Adviser or the Issuer, as applicable, determines that no such industry standard is recognised or acknowledged), the Independent Adviser or the Issuer, as applicable, determines (acting in good faith and in a commercially reasonable manner) to be appropriate.

"**Alternative Reference Rate**" means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in respect of debt securities denominated in euro and of a comparable duration to the relevant Reset Interest Period, or, if such Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as such Independent Adviser or the Issuer (as applicable) determines in its discretion is most comparable to the Original Reference Rate.

"**Benchmark Event**" means, in respect of a Reference Rate:

(a) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or

(b) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); 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, be permanently or indefinitely discontinued; or

(d) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative of its relevant underlying market; or

(e) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, in each case by a specific date; or

(f) it has become unlawful (including, without limitation, under the EU Benchmark Regulation (Regulation (EU) 2016/1011), as amended from time to time, if applicable) for any Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that in the case of sub-paragraphs (b), (c) and (e), 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.

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

"**Original Reference Rate**" means the 5-year Mid-Swap Rate (or any component part thereof), provided that if, following one or more Benchmark Events, the 5-year Mid-Swap Rate or relevant component part thereof (or, in either case, any Successor Reference Rate or Alternative Reference Rate that has replaced it) has been replaced by a (or a further) Successor Reference Rate or Alternative Reference Rate and a Benchmark Event subsequently occurs in respect of such Successor Reference Rate or Alternative Reference Rate, the term "Original Reference Rate" shall include any such Successor Reference Rate or Alternative Reference Rate.

"**Relevant Nominating Body**" means, in respect of a reference rate:

(i) the central bank for the currency to which such reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate; or

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

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

4.5 Determination of Reset Rate of Interest and calculation of Interest Amounts

Subject to Condition 4.4 (*Benchmark Event*), the Calculation Agent will at or as soon as practicable after each time at which the Reset Rate of Interest is to be determined, determine the Reset Rate of Interest for the relevant Reset Interest Period.

From (and including) the First Reset Date, the Calculation Agent will calculate the amount of interest (the "**Interest Amount**") payable – subject to these Conditions - on the Notes for the relevant Interest Period by applying the Rate of Interest to the Outstanding Principal Amount of such Note during such

Interest Period, and multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest cent (half a cent being rounded upwards).

4.6 **Notification of Reset Rate of Interest and Interest Amounts**

The Calculation Agent will cause the Reset Rate of Interest for each Reset Interest Period and the Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Paying Agent, and the stock exchange or listing agent (if any) on which the Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 (*Notices*) as soon as reasonably practicable after their determination. The Reset Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the stock exchange or listing agent (if any) on which the Notes are for the time being listed and to the Noteholders in accordance with Condition 13 (*Notices*).

4.7 **Certificates to be final**

All certificates, communications, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4 by the Calculation Agent (in its capacity as such), the Paying Agent (in its capacity as such) and/or, if applicable, the Independent Adviser, shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent and all Noteholders and (in the absence of manifest error as aforesaid) no liability to the Issuer or the Noteholders shall attach to the Calculation Agent (in its capacity as such), the Paying Agent (in its capacity as such) or, as applicable, the Independent Adviser, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

4.8 **Accrual of interest**

Each Note will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in these Conditions.

5. **INTEREST CANCELLATION**

5.1 **Discretionary interest payments**

Interest on the Notes will be due and payable only at the sole discretion of the Issuer, and the Issuer shall have sole and absolute discretion at all times and for any reason to cancel (in whole or in part) for an unlimited period and on a non-cumulative basis any interest payment that would otherwise be payable on any Interest Payment Date. If the Issuer does not make an interest payment on the relevant Interest Payment Date (or if the Issuer elects to make a payment of a portion, but not all, of such interest payment), such non-payment shall evidence the Issuer's exercise of its discretion to cancel such interest payment (or the portion of such interest payment not paid), and accordingly such interest payment (or the portion thereof not paid) shall not be due and payable. Any and all interest payments shall be payable only out of Distributable Items.

If the Issuer provides notice to cancel a portion, but not all, of an interest payment and the Issuer subsequently does not make a payment of the remaining portion of such interest payment on the relevant Interest Payment Date, such non-payment shall evidence the Issuer's exercise of its discretion to cancel such remaining portion of the interest payment, and accordingly such remaining portion of the interest payment shall also not be due and payable.

5.2 **Restriction on interest payments**

(a) Without prejudice to (i) full discretion of the Issuer to cancel interest payments on the Notes; and (ii) the prohibition to make payments on Additional Tier 1 instruments pursuant to the restrictions on distributions provisions contained in the Applicable Banking Regulations before the Maximum Distributable Amount (in circumstances where restrictions on distributions by reference to Maximum Distributable Amount applies) is calculated:

(i) subject to the extent permitted in Condition 5.2(b) below, the Issuer shall not make an interest payment on the Notes on any Interest Payment Date (and such interest payment shall therefore be deemed to have been cancelled and thus shall not be due and payable on such Interest Payment Date), and shall not pay any Additional Amounts in respect of such interest payment, if the Issuer has an amount of Distributable Items on such Interest Payment Date that is lower than the sum of all distributions or interest payments on the Notes and all other Own Funds items (including any Additional Amounts in respect thereof but excluding – for the avoidance of doubt – any such distributions or interest payments on Tier 2 Instruments which have already been accounted for, by way of deduction, in the calculation of Distributable Items) plus any potential write-ups on any Loss Absorbing Written-Down Instruments, in each case paid (or made) and/or scheduled to be paid (or made) in the then current financial year;

(ii) subject to the extent permitted in Condition 5.2(b) below, in circumstances where restrictions on distributions by reference to Maximum Distributable Amount applies, no payments will be made on the Notes (whether by way of principal, interest, or otherwise) if and to the extent that such payment – when aggregated with (x) other distributions of the kind referred to in the restrictions on distributions provisions contained in Article 141 of the CRD IV and any other similar restrictions on distributions provisions contained in the Applicable Banking Regulations from time to time applicable to the Issuer or the Group (or, as the case may be, any provision of Italian law transposing or implementing such provisions, including Circular No. 285) and (y) the amount of any write-ups (where applicable) on any Loss Absorbing Written-Down Instruments - would cause the Maximum Distributable Amount then applicable to the Issuer or the Group (as the case may be) to be exceeded, or would otherwise result in a violation of any other similar regulatory restriction or prohibition on payments on Additional Tier 1 instruments imposed on the Issuer or the Group pursuant to Applicable Banking Regulations;

(iii) the Issuer shall not make an interest payment on the Notes on any Interest Payment Date (and such interest payment shall therefore be deemed to have been cancelled and thus shall not be due and payable on such Interest Payment Date), if and to the extent that the Relevant Authority orders or requires the Issuer to cancel the relevant interest payment on the Notes scheduled to be paid; and

(iv) if a Trigger Event occurs at any time, the Issuer shall not, for so long as the Trigger Event continues, make any further interest payment on the Notes (including any Additional Amounts in respect thereof). Any accrued and unpaid interest to (but excluding) the Write-Down Effective Date relating to such Trigger Event (whether or not such interests have become due for payment) shall be automatically cancelled, and shall not be due and payable.

(b) The Issuer may, in its sole discretion, elect to make a partial interest payment on the Notes on any Interest Payment Date, only to the extent that such partial interest payment may be made without breaching the restrictions set out in sub-paragraphs (i), (ii), (iii) and (iv) of Condition 5.2(a) above.

5.3 **Effect of interest cancellation**

Interest will only be due and payable on an Interest Payment Date to the extent it is not cancelled in accordance with Condition 5.1 (*Discretionary interest payments*) or Condition 5.2 (*Restriction on interest payments*) above. Any interest cancelled (in each case, in whole or in part) in such circumstances shall not be due and shall not accumulate or be payable at any time thereafter nor constitute: (i) an Event of Default under Condition 11 (*Event of Default and Enforcement*) or any other default for any purpose, (ii) any breach of any obligation of the Issuer under the Notes; (iii) the occurrence of any event related to the insolvency of the Issuer; and shall not entitle Holders to take any action to cause the liquidation, dissolution or winding up of the Issuer, and Noteholders shall have no rights thereto whether in a bankruptcy or liquidation of the Issuer or otherwise or to receive any additional interest or compensation as a result of such cancellation or deemed cancellation. Any such cancellation of interest imposes no restrictions on the Issuer. The Issuer may use such cancelled payments without restriction to meet its obligations as they fall due.

5.4 **Notice of interest cancellation**

If practicable, the Issuer shall provide notice of any cancellation of interest (in whole or in part) to the Noteholders in accordance with Condition 13 (*Notices*) at least five (5) Business Days prior to the relevant Interest Payment Date. Such notice shall specify the amount of the relevant cancellation and, accordingly, the amount (if any) of the relevant interest payment on the Notes that will be paid on the relevant Interest Payment Date. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such cancellation or deemed cancellation of interest, or give Noteholders any rights as a result of such failure.

5.5 **Interest Amount in case of Write-Down**

Subject to Condition 5.1 (*Discretionary interest payments*) and Condition 5.2 above (*Restriction on interest payments*), in the event that a Write-Down occurs during an Interest Period, any accrued and unpaid interest to (but excluding) the Write-Down Effective Date shall be cancelled pursuant to Condition 6.2 (*Effect of Trigger Event*) and the Interest Amount payable on the Interest Payment Date immediately following such Interest Period shall be calculated in accordance with Condition 4 (*Interest*), provided that the Day Count Fraction shall be determined as if the Interest Period started on, and included, the Write-Down Effective Date.

5.6 **Interest Amount in case of Principal Reinstatement**

Subject to Condition 5.1 (*Discretionary interest payments*) and Condition 5.2 above (*Restriction on interest payments*), in the event that one or more Principal Reinstatement(s) occur(s) during an Interest Period, any Interest Amount payable on the Interest Payment Date immediately following such Principal Reinstatement(s) shall be calculated by determining the amount of interest accrued on the Notes for each period (ending on (and excluding) the write-up date on which a Principal Reinstatement occurs or, as the case may be, the last day of such Interest Period) within such Interest Period during which a different Outstanding Principal Amount subsists (for the purpose of this Condition 5.6, a "**Relevant Period**"), which shall be the product of (x) the applicable Rate of Interest, (y) the Outstanding Principal Amount before (and excluding) the write-up date on which such Principal Reinstatement occurs, and (z) the Day Count Fraction (determined as if the Calculation Period ended on, but excluding, the date of such Principal Reinstatement); and the Interest Amount payable – subject to these Conditions - for such Interest Period shall be the aggregate of the amounts of accrued interest calculated as aforesaid for all Relevant Periods.

6. **LOSS ABSORPTION FOLLOWING A TRIGGER EVENT**

6.1 **Notice Following a Trigger Event**

If at any time a Trigger Event occurs, the Issuer shall without delay notify the Relevant Authority and, in accordance with Condition 13 (*Notices*), the Noteholders (such notice, a "**Trigger Event Notice**" and the date of delivery of such notice, the "**Trigger Event Notice Date**") and shall irrevocably and mandatorily (without any requirement for the consent or approval of the Noteholders) write down the Outstanding Principal Amount of each Note (in whole or, as applicable, in part), with effect as from the Write-Down Effective Date in accordance with Condition 6.2 (*Effect of Trigger Event*). The Trigger Event Notice shall be sufficient evidence of the occurrence of such Trigger Event and, together with the underlying calculations and any determination of the relevant Write-Down Amount, shall be conclusive and be binding on the Noteholders.

The Issuer shall specify in the Trigger Event Notice, *inter alia*, the Write-Down Amount and the Write-Down Effective Date. If the Write-Down Amount and/or the Write-Down Effective Date have/has not been determined at the time of the Trigger Event Notice, or if there is any change to the amount or, as the case may be, the date previously notified, the Issuer shall, as soon as reasonably practicable, give a further notice to the Relevant Authority and, in accordance with Condition 13 (*Notices*), to the Noteholders, to confirm the definitive Write-Down Amount and, if applicable, the definitive Write-Down Effective Date.

A Trigger Event may occur on more than one occasion and the Outstanding Principal Amount of each Note may be written down on more than one occasion, provided that the Outstanding Principal Amount of a Note may never be reduced to below the smallest unit of such Note (currently one cent), as determined by the Applicable Banking Regulations.

Failure to give the Trigger Event Notice, to notify Holders as provided in this Condition 6 or to give any other notices in connection with the Write-Down of the Notes shall not in any way impact on the effectiveness of, or otherwise invalidate or prejudice, the write down of these Notes as described below or give Holders any rights as a result of such failure.

6.2 **Effect of Trigger Event**

If at any time a Trigger Event occurs:

(a) each Note shall be written-down, with effect as from the Write-Down Effective Date, by writing down its Outstanding Principal Amount by an amount, being:

(i) the amount that - together with: (x) the concurrent write-down on a *pro rata* basis of the other Notes, and (y) the concurrent (or substantially concurrent) write-down or conversion into equity, on a *pro rata* basis based on their respective Outstanding Principal Amounts, of other Loss Absorbing Instruments that have fallen below the applicable trigger level of such instrument – would be sufficient to restore the CET1 Ratio of the Issuer and/or the Group to the Trigger Level; or

(ii) if the write-down (together with (x) the concurrent write-down on a *pro rata* basis of the other Notes, and (y) the concurrent (or substantially concurrent) write-down or conversion into equity, on a *pro rata* basis based on their respective Outstanding Principal Amounts, of other Loss Absorbing Instruments that have fallen below the applicable trigger level of such instrument) is insufficient to restore the CET1 Ratio of the Issuer and/or the Group to the Trigger Level, the amount necessary to reduce the Outstanding Principal Amount of such Note to the smallest unit of such Note (currently one cent), as determined by the Applicable Banking Regulations

(the "**Write-Down Amount**");

(b) the principal write-down of the Notes shall take place without delay and (unless the Relevant Authority determines otherwise) in any event not later than one month from the time it is determined that the Trigger Event has occurred (the "**Write-Down Effective Date**");

(c) following a Write-Down, Noteholders shall automatically and irrevocably lose their rights to receive, and shall no longer have any rights against the Issuer with respect to, repayment of the Write-Down Amount, or any other amount on or in respect of such Write-Down Amount (but without prejudice to their rights in respect of any principal amount reinstated pursuant to Condition 6.3 (*Principal Reinstatement*) below); and

(d) any accrued and unpaid interest on the Notes through to the Write-Down Effective Date (whether or not such interests have become due for payment) shall be automatically cancelled in accordance with Condition 5.2(a)(iv), and shall not be due and payable; and

(e) following each Write-Down, interest will accrue on – subject to any subsequent Write-Down(s) or Principal Reinstatement(s) - the Outstanding Principal Amount of each Note as reduced by the Write-Down Amount from (and including) the relevant Write-Down Effective Date.

If, in connection with a Write-Down or the calculation of a Write-Down Amount, there are outstanding any Loss Absorbing Instruments the terms of which provide that they shall be written-down or converted in full and not in part only ("**Full Loss Absorbing Instruments**") or any Loss Absorbing Instruments the terms of which provide that they shall be written-down or converted when the CET1 Ratio falls below a level that is higher than the Trigger Level ("**Prior Loss Absorbing Instruments**"), then:

(A) the requirement that a Write-Down of the Notes shall be effected *pro rata* with the write-down or conversion, as the case may be, of any such Full Loss Absorbing Instruments shall not be construed as requiring the Notes to be written-down in full (or in full save for the one cent floor) simply by virtue of the fact that such Full Loss Absorbing Instruments will be written-down or converted in full; and

(B) for the purposes of calculating the Write-Down Amount, the Full Loss Absorbing Instruments will be treated (for the purposes only of determining the write-down of principal or conversion into Ordinary Shares, as the case may be, among the Notes and such other Loss Absorbing Instruments on a *pro rata* basis) as if their terms permitted partial write-down or conversion, such that the write-down or conversion of such Full Loss Absorbing Instruments shall be deemed to occur in two concurrent stages: (a) first, the principal amount of such Full Loss Absorbing Instruments shall be written-down or converted pro rata with the Notes and all other Loss Absorbing Instruments (in each case subject to and as provided in the preceding paragraph) to the extent necessary to cure the relevant Trigger Event; and (b) secondly, the balance (if any) of the principal amount of such Full Loss Absorbing Instruments remaining following (a) shall be written-down or converted, as the case may be, with the effect of increasing the Issuer's and/or the Group's, as the case may be, CET1 Ratio above the minimum required level under (a) above; and

(C) for the purposes of calculating the Write-Down Amount, the write-down or, as the case may be, conversion of any Prior Loss Absorbing Instrument shall be taken into account only to the extent required to restore the CET1 Ratio to the Trigger Level.

To the extent that the write-down or conversion of any Loss Absorbing Instrument is not effective for any reason, (i) such ineffectiveness shall not prejudice the requirement to effect a write-down of these Notes; and (ii) the write-down or conversion of any Loss Absorbing Instrument that is not effective shall not be taken into account in determining the Write-Down Amount of these Notes.

Any Write-Down of a Note shall not constitute an Event of Default or a breach of the Issuer's obligations or duties or a failure to perform by the Issuer in any manner whatsoever and shall not entitle the Noteholders to any compensation or to petition for the insolvency or dissolution of the Issuer or otherwise.

6.3 **Principal Reinstatement**

(a) For so long as each Note remains written down, provided that a positive Net Income or Consolidated Net Income has been recorded, its Outstanding Principal Amount may (at the discretion of the Issuer) be increased up to a maximum of its Original Principal Amount (a "**Principal Reinstatement**") on a *pro rata* basis with other Loss Absorbing Written-Down Instruments (based on their then prevailing Outstanding Principal Amount), in accordance with (and subject to the limits of) the provisions of this Condition 6.3 and the Applicable Banking Regulations (including, *inter alia*, Article 21 of the Delegated Regulation).

(b) Any Principal Reinstatement of these Notes and any principal reinstatement of other Loss Absorbing Written-Down Instruments, and the payment of interests or other distributions on these Notes and such other Loss Absorbing Written-Down Instruments (if any), shall be operated at the full discretion of the Issuer and there shall be no obligation for the Issuer to operate or accelerate any Principal Reinstatement under specific circumstances.

(c) Principal Reinstatements on these Notes may be made on one or more occasions until the Outstanding Principal Amount of the Notes has been reinstated to the Original Principal Amount.

(d) No Principal Reinstatement may take place if a Trigger Event has occurred and for so long it is continuing, or if such Principal Reinstatement (either alone or together with the *pro rata* principal reinstatements of other Loss Absorbing Written-Down Instruments) would cause a Trigger Event to occur.

(e) The Principal Reinstatement Amount shall be determined by the Issuer at its discretion subject to the following limits and any other limitations from time to time set forth in Applicable Banking Regulations:

(i) in circumstances where restrictions on distributions by reference to Maximum Distributable Amount applies, the proposed Principal Reinstatement of these Notes would - when aggregated with the payment of all other amounts that fall within the scope of the similar restrictions on distributions provisions contained in the CRD IV and/or the BRRD from time to time applicable to the Issuer and taking into account any principal reinstatements on other Loss Absorbing Written-Down Instruments - be limited to the extent necessary to ensure the Maximum Distributable Amount then applicable to the Issuer and/or the Group is not exceeded; or

(ii) the aggregate amount of (aa) the proposed Principal Reinstatement of these Notes, (bb) the *pro rata* concurrent (or substantially concurrent) principal reinstatement of other Loss Absorbing Written-Down Instruments, (cc) any previous Principal Reinstatements of these Notes and principal reinstatements of such other instruments made after the end of the then previous financial year out of the Net Income or, as the case may be, Consolidated Net Income, and (dd) payments of interest or other distributions in respect of these Notes and such other instruments paid, on the basis of an Outstanding Principal Amount that is lower than their Original Principal Amount, at any time after the end of the then previous financial year, shall not exceed the lower of:

(x) Net Income (aa) multiplied by the sum of the aggregate Original Principal Amount of the Notes and the aggregate Original Principal Amount of all Loss Absorbing Written-Down Instruments of the Issuer (on a solo basis) and (bb) divided by the Tier 1 capital of the Issuer (on a solo basis), as at the date of the Principal Reinstatement; and

(y) Consolidated Net Income (aa) multiplied by the sum of the aggregate Original Principal Amount of the Notes and the aggregate Original Principal Amount of all Loss Absorbing Written-Down Instruments of the Issuer (on a consolidated basis) and (bb) divided by the Tier 1 capital of the Issuer (on a consolidated basis), as at the date of the Principal Reinstatement

(the "**Maximum Reinstatement Amount**").

(f) If the Issuer exercises its discretion to effect a Principal Reinstatement in accordance with and subject to the limits of this Condition 6.3, it shall give notice thereof to the Noteholders in accordance with Condition 13 (*Notices*) specifying the Principal Reinstatement Amount (which shall be conclusive and binding on the Noteholders) and the Principal Reinstatement Effective Date.

(g) On the Principal Reinstatement Effective Date and subject to the prior consent of the Relevant Authority (if required under then prevailing Applicable Banking Regulations), the Issuer may write-up the Outstanding Principal Amount of each Note by the Principal Reinstatement Amount on a *pro rata* basis with other Notes.

(h) Any decision by the Issuer to effect, or not to effect, a Principal Reinstatement on any occasion shall not prevent the Issuer from effecting, or not effecting, a Principal Reinstatement on any other occasion pursuant to this Condition 6.3.

7. PAYMENTS

7.1 Subject as provided below, payments on the Notes under these Conditions will be made by Monte Titoli crediting the Euro accounts of the relevant intermediaries, on behalf of the Noteholders, as evidenced in Monte Titoli's records.

7.2 Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent to the accounts of the Monte Titoli Account Holders whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Notes or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream, Luxembourg, as the case may be.

7.3 For the avoidance of doubt, payments to Monte Titoli or to its order shall to the extent of amounts so paid constitute the discharge of the Issuer of its liabilities under the Notes.

7.4 Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*).

All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*); and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

7.5 If the date for payment of any amount in respect of any Note is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means (A) a day (other than a Saturday or a Sunday) on which (subject to Condition 10 (*Prescription*) Monte Titoli is open for business; and (B) a T2 Settlement Day.

7.6 Interpretation of principal and interest

Any reference in these Conditions to "**principal**" in respect of the Notes shall be construed as referring to the Outstanding Principal Amount of the Notes.

Any reference in these Conditions to "**interest**" in respect of the Notes shall be deemed to include - subject to these Conditions - any Additional Amounts which may be payable with respect to interest under Condition 9 (*Taxation*).

8. REDEMPTION, PURCHASE AND CANCELLATION

8.1 No fixed redemption

The Notes have no fixed redemption date.

Unless previously redeemed or purchased and cancelled in accordance with these Conditions, the Notes will mature on the date on which voluntary or involuntary winding up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) proceedings are instituted in respect of the Issuer (otherwise than for the purposes of an Approved Reorganisation), in accordance with, as the case may be, (i) a resolution passed at a shareholders' meeting of the Issuer, (ii) any provision of the Articles of Association of the Issuer (which, as at the date of these Listing Particulars provide for the duration of the Issuer to expire on 31 December 2050, but if such expiry date is extended, the maturity of the Notes will be correspondingly adjusted), or (iii) any applicable legal provision, or any decision of any judicial or administrative authority. Upon maturity, the Notes will become due and payable at an amount equal to their Outstanding Principal Amount together (if any and excluding any interest cancelled in accordance with Condition 5 (*Interest Cancellation*)) with interest accrued to (but excluding) the date of redemption and any additional amounts due and payable pursuant to Condition 9 (*Taxation*).

The Notes may not be redeemed at the option of the Issuer except in accordance with the provisions of this Condition 8. The Notes may not be redeemed at the option of the Noteholders.

8.2 **Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer in whole but not in part, at any time on giving not less than 15 nor more than 30 days' notice to the Paying Agent and, in accordance with Condition 13 (*Notices*), to the Noteholders (which notice shall – subject to these Conditions - be irrevocable), if:

(a) (x) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay Additional Amounts as provided or referred to in Condition 9 (*Taxation*), or (y) part of the interest payable by the Issuer in respect of the Notes is no longer, or will no longer be, deductible for Italian corporate income tax purposes, in each case, as a result of any Tax Law Change; and

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

(a "**Tax Event**").

Prior to the publication of any notice of redemption pursuant to this Condition 8.2, the Issuer shall provide evidence, to be made available upon request to the relevant Noteholders, of the occurrence of a Tax Event by means of (i) a certificate signed by two duly authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred (and such evidence shall be conclusive and binding on the Noteholders); and (ii) an opinion of independent legal advisers of recognized standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of the change or amendment or is no longer, or will no longer be, in the position to deduct interest, in each case as a result of any Tax Law Change (and such evidence shall be sufficient to the Paying Agent).

Notes redeemed pursuant to this Condition 8.2 will be redeemed at their Outstanding Principal Amount together (if any and excluding any interest cancelled in accordance with Condition 5 (*Interest Cancellation*)) with interest accrued to (but excluding) the date of redemption and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*).

Any redemption pursuant to this Condition 8.2 shall be subject to Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

8.3 **Redemption for regulatory reasons**

Upon the occurrence of a Regulatory Event, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 15 nor more than 30 days' notice to the Paying Agent and, in accordance with Condition 13 (*Notices*), to the Noteholders (which notice shall – subject to these Conditions - be irrevocable).

Upon the expiry of any such notice as referred to in this Condition 8.3, the Issuer shall redeem the Notes in accordance with this Condition 8.3, at their Outstanding Principal Amount together with accrued interest (if any and excluding any interest cancelled in accordance with Condition 5 (*Interest Cancellation*)) thereon to (but excluding) the date of redemption and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*).

Prior to the publication of any notice of redemption pursuant to this Condition 8.3, the Issuer shall provide evidence, to be made available upon request to the relevant Noteholders, of the occurrence of a Regulatory Event by means of a certificate signed by two duly authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred (and such evidence shall be conclusive and binding on the Noteholders).

Any redemption pursuant to this Condition 8.3 shall be subject to Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

8.4 **Redemption at the option of the Issuer (Issuer Call)**

The Issuer may, having given:

(a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 13 (*Notices*); and

(b) not less than 7 days (or such shorter period as may be agreed with the Paying Agent) before the giving of the notice referred to in (a) above, notice to the Paying Agent,

(which notices shall – subject to these Conditions - be irrevocable and shall specify the date fixed for redemption), redeem the Notes then outstanding, in whole, but not in part, on any Optional Redemption Date (Call) at their Outstanding Principal Amount together with interest (if any and excluding any interest cancelled in accordance with Condition 5 (*Interest Cancellation*)) accrued to (but excluding) the date of redemption and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*).

Any redemption pursuant to this Condition 8.4 shall be subject to Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

8.5 **Clean-Up Call**

The Notes may be redeemed at the option of the Issuer in whole but not in part, at any time on giving not less than 15 nor more than 30 days' notice to the Paying Agent and to the Noteholders in accordance with Condition 13 (*Notices*), at their Outstanding Principal Amount together with accrued and unpaid interest (if any and to the extent not cancelled pursuant to Condition 5 (*Interest cancellation*)) to (but excluding) the date of redemption and additional amounts (if any) due and payable pursuant to Condition 9 (*Taxation*), if at least 75% of the initial aggregate principal amount of the Notes (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first tranche of Notes) has been purchased by, or on behalf of the Issuer and cancelled.

Any redemption pursuant to this Condition 8.5 shall be subject to Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

8.6 **Purchases**

The Issuer or any of its Subsidiaries may purchase the Notes at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, cancelled.

Any purchase pursuant to this Condition 8.6 shall be subject to Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

References in these Conditions to the purchase of Notes shall not include the purchase of Notes by the Issuer or any of its Subsidiaries in the ordinary course of business of dealing in securities, as nominee or as a bona fide investment.

8.7 **Cancellation**

All Notes which are redeemed will forthwith be cancelled. All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 8.6 (*Purchases*) cannot be reissued or resold.

8.8 **Regulatory conditions for call, redemption, repayment or purchase**

Any call, redemption, repayment or repurchase of the Notes pursuant to Condition 8.2 (*Redemption for tax reasons*), Condition 8.3 (*Redemption for regulatory reasons*), Condition 8.4 (*Redemption at the option of the Issuer (Issuer Call)*), Condition 8.5 (*Clean-Up Call*) or Condition 8.6 (*Purchases*) is subject to compliance with the then Applicable Banking Regulations, including:

(a) the Issuer having obtained the prior permission of the Relevant Authority in accordance with Articles 77 and 78 of the CRR, where either:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and eligible liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements laid down in the applicable provisions of the

Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; and

(b) in respect of a redemption prior to the fifth anniversary of the Issue Date of the Notes, if and to the extent required under Article 78(4) of the CRR or the Capital Instruments Regulation:

(i) in the case of redemption pursuant to Condition 8.2 (*Redemption for tax reasons*), the Issuer having demonstrated to the satisfaction of the Relevant Authority that the change in the applicable tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date; or

(ii) in case of redemption pursuant to Condition 8.3 (*Redemption for regulatory reasons*), the Issuer has demonstrated to the satisfaction of the Relevant Authority that the change in the regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date; or

(iii) on or before the relevant call, redemption, repayment or repurchase, the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity and the Relevant Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(iv) the Notes are repurchased for market making purposes,

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

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) the Notes, in the limit of a predetermined amount, which shall not exceed the lower of: (i) 10% (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the amount of the principal amount of the Notes; and (ii) 3% (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the total amount of Additional Tier 1 instruments of the Issuer from time to time outstanding, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out at letters (i) and (ii) of sub-paragraph (a) of the preceding paragraph.

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

8.9 Trigger Event post redemption notice

If the Issuer has elected to redeem the Notes in accordance with the aforementioned provisions of this Condition 8 but prior to the payment of the redemption amount with respect to such redemption, a Trigger Event occurs, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, no payment of the redemption amount will be due and payable and conversion shall apply in accordance with Condition 6 (*Loss Absorption following a Trigger Event*).

8.10 No redemption notice post Trigger Event

The Issuer shall not give a redemption notice in accordance with the aforementioned provisions of this Condition 8 after a Trigger Event occurs and for so long as it has not been remedied.

8.11 Partial redemption

In the case of a partial redemption of the Notes pursuant to these Conditions, the Notes will be redeemed ("**Redeemed Notes**") on a *pro rata* basis in accordance with the rules of Monte Titoli (to be reflected in the records of Monte Titoli as a reduction in nominal amount). Noteholders that hold a Redeemed Note will be informed by the Issuer in accordance with Condition 13 (*Notices*) not less than 15 days prior to the date fixed for redemption.

9. TAXATION

All payments of principal and interest in respect of the Notes by or on behalf of the Issuer will be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction or any political subdivision therein or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will – to the extent that such payment can be made out of Distributable Items on the same basis as for payment of interests in accordance with Condition 5 (*Interest*

Cancellation) and if permitted by Applicable Banking Regulations - pay such additional amounts ("**Additional Amounts**") on interest (but not on principal) as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the amounts of interest which would otherwise have been receivable in respect of the Notes, in the absence of such withholding or deduction; however, no such Additional Amounts shall be payable with respect to any Note:

(a) presented for payment in the Republic of Italy; or

(b) presented for payment by, or on behalf of, a holder or a beneficial owner of a Note who is liable for such taxes or duties in respect of such Note by reason of his having some connection with the Republic of Italy other than the mere holding of such Note; or

(c) to the extent that interest or any other amount payable is paid to a non-Italian resident entity or a non-Italian resident individual which is resident for tax purposes in a country which does not allow for a satisfactory exchange of information with the Republic of Italy (the states allowing for an adequate exchange of information with the Republic of Italy are currently listed in Ministerial Decree of 4 September 1996, as amended and supplemented from time to time); or

(d) for or on account of *imposta sostitutiva* (at the then applicable rate of tax) pursuant to Italian Legislative Decree No. 239 of 1 April 1996, as amended, or, for the avoidance of doubt, Italian Legislative Decree No. 461 of 21 November 1997 (as amended by Italian Legislative Decree No. 201 of 16 June 1998) (as any of the same may be amended or supplemented) or any related implementing regulations, in all circumstances in which requirements (whether substantial or formal) or procedures set forth in Italian Legislative Decree No. 239 of 1 April 1996 (as amended or supplemented from time to time) or in any related implementing regulations (including Ministerial Decree 12 December 2001) in order to benefit from a tax exemption have not been met or complied with, except where such requirements or procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents; or

(e) presented for payment more than 30 days after the Relevant Date (as defined below) 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 Payment Day (as defined in Condition 7.5 (*Payment Day*)); or

(f) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction in respect of such Note by making, or procuring, a declaration of non-residence or other similar claim for exemption but has failed to do so after written request of the Issuer or its agent;

(g) where it will be required to withhold or deduct any taxes imposed pursuant to an agreement described in Section1471 (b) of the U.S. Internal Revenue Code of 1986, as amended, or otherwise imposed pursuant to Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, as amended (including any regulation or agreements thereunder, any official interpretation thereof or any law implementing an intergovernmental agreement thereto – "**FATCA Withholding**").

As used in these Conditions:

(a) "**Tax Jurisdiction**" means the Republic of Italy or in either case, any political subdivision or any authority thereof or therein having power to tax. If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Italy, references in these Conditions to the Republic of Italy shall be construed as references to the Republic of Italy and/or such other jurisdiction; and

(b) the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received the Paying 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 Noteholders in accordance with Condition 13 (*Notices*).

10. PRESCRIPTION

The Notes will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9 (*Taxation*)) therefor.

11. EVENT OF DEFAULT AND ENFORCEMENT

The Notes are, and they shall immediately become, due and repayable at their Outstanding Principal Amount together with accrued and unpaid interest (if any and to the extent not cancelled pursuant to Condition 5 (*Interest cancellation*)) to (but excluding) the date of redemption, if the Issuer is subject to compulsory winding-up (*liquidazione coatta amministrativa*) pursuant to Articles 80 and following of the Italian Banking Act or voluntary winding-up (*liquidazione volontaria*) pursuant to Article 96-*quinquies* of the Italian Banking Act otherwise than for the purposes of an Approved Reorganisation (an "**Event of Default**"), provided that repayment of the Notes will only be effected after the Issuer has obtained the prior approval of the Relevant Authority (if so required), and provided further that no payments will be made to the Noteholders before all amounts due, but unpaid, to all other creditors of the Issuer ranking ahead of the Noteholders as described in Condition 3 (*Status of the Notes*) have been paid by the Issuer, as ascertained by the liquidator.

No remedy (including any remedy under the Italian Civil Code) against the Issuer other than as specifically provided by this Condition shall be available to the holders of the Notes to request the acceleration of their claims against the Issuer, whether for the recovery of amounts owing" in respect of the Notes or in respect of any breach by the Issuer of any of its obligations under the Notes or otherwise.

For the avoidance of doubt, the non-payment by the Issuer of any amount due and payable under these Notes, or the taking of any crisis prevention measure or crisis management measure in relation to the Issuer in accordance with the BRRD or of any resolution proceeding(s) or moratoria imposed by a resolution authority in respect of the Issuer, is not an Event of Default.

12. PAYING AGENTS

The initial Paying Agent is the Issuer. The Issuer is entitled to appoint another person to act as Paying Agent, or vary or terminate the appointment of any paying agent under the terms of the relevant agency agreement in a customary form and/or appoint additional or other paying agents and/or approve any change in the specified office through which any paying agent acts, provided that there will at all times be a Paying Agent for the Notes.

Any variation, termination, appointment or change shall only take effect once notice thereof shall have been given to the Noteholders in accordance with Condition 13 (*Notices*).

Notification of any change in the Paying Agents or the Calculation Agent or their specified offices will be made in accordance with Condition 13 (*Notices*).

If the Issuer appoints another person(s) to act as Paying Agent(s), such Paying Agent(s), in acting under the relevant agency agreement, will be under no fiduciary duty and will act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders. The relevant agency agreement will contain provisions permitting any entity into which such 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 paying agent.

13. NOTICES

Any notice regarding the Notes shall be deemed to have been duly given: (a) for so long as the Notes are held through Monte Titoli, if published through the systems of Monte Titoli; and (b) for so long as the Notes are admitted to trading on, and listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market and the listing rules of Euronext Dublin so require, all notices to Noteholders shall be deemed to be duly given if they are filed with the Companies Announcement Office of Euronext Dublin. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. 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.

Notices to be given by any Noteholder shall be in writing and given by lodging the same with the Paying Agent.

14. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

14.1 Meeting of the Noteholders

The provisions for the meetings of Noteholders (including by way of conference call or by use of videoconference platform) attached as Annex 1 (*Provisions for the Meetings of Noteholders*) to these Conditions (the "**Provisions for Meetings of Noteholders**") contains provisions for convening meetings of the Noteholders to consider any matter affecting their common interests, including, *inter alia*, the sanctioning by Extraordinary Resolution of a modification of the Notes or these Conditions.

Subject to the above, such a meeting may be convened by the Issuer and shall be convened by the Issuer if required in writing by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes a Reserved Matter, the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting, and whether or not they voted on the resolution.

"**Extraordinary Resolution**" has the meaning given to it in the Provisions for Meetings of Noteholders.

"**Reserved Matter**" has the meaning given to it in the Provisions for Meetings of Noteholders.

14.2 **Modification of the Notes for Regulatory Event, Tax Event or Alignment Event, or to ensure effectiveness and enforceability of Bail-In Power**

Where (i) a Regulatory Event, a Tax Event or an Alignment Event has occurred and is continuing, and/or (ii) in order to ensure the effectiveness and enforceability of the Bail-In Power in accordance with Condition 17 (*Contractual Recognition of Bail-In Power*) or in accordance with applicable law, the Issuer shall be entitled (without any requirement for the consent or approval of the holders of the Notes), having given not less than 30 nor more than 60 days' notice, in accordance with Condition 13 (*Notices*), to the Noteholders (which notice shall be irrevocable), at any time to modify the terms and conditions of the Notes, which modification, for the avoidance of doubt, shall be treated as being outside the scope of the Reserved Matters, provided that:

(a) such modification is reasonably necessary in the sole opinion of the Issuer to ensure, as applicable, that no Regulatory Event, Alignment Event or Tax Event would exist thereafter, or the effectiveness and enforceability of the Bail-In Power in accordance with Condition 17 (*Contractual Recognition of Bail- In Power*) or in accordance with applicable law is ensured;

(b) following such modification of the existing Notes (the "**Existing Notes**"):

   (i) the terms and conditions of the Notes, as so modified (the "**Modified Notes**") are - other than in the case of a modification to ensure the effectiveness and enforceability of the Bail-In Power in accordance with Condition 17 (*Contractual Recognition of Bail-In Power*) or in accordance with applicable law - not materially less favourable to a holder of the Existing Notes (as reasonably determined by the Issuer) than the terms and conditions applicable to the Existing Notes prior to such modification;

   (ii) the Modified Notes shall have a ranking at least equal to that of the Existing Notes and shall feature the same tenor, currency, principal amount, interest rates (including applicable margins), Interest Payment Dates and redemption rights as the Existing Notes;

   (iii) the Modified Notes shall comply with the then current requirements of Applicable Banking Regulations in relation to Additional Tier 1 Capital;

   (iv) the Modified Notes preserve any existing rights under the Existing Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of such modification;

   (v) are assigned (or maintain) the same solicited credit ratings as were assigned to the Notes by credit agencies solicited by the Issuer immediately prior to such variation, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 17 (*Contractual Recognition of the Bail-in* Power); and

   (vi) the Modified Notes continue to be listed on a recognised stock exchange, if the Existing Notes were listed immediately prior to such modification;

(c) the modification does not itself give rise to any right of the Issuer to redeem the Existing Notes, without prejudice to the provisions under Condition 8.4 (*Redemption at the option of the Issuer (Issuer Call)*); and

(d) the Relevant Authority has approved such modification (if such approval is required under the Applicable Banking Regulations applicable at that time), or has received prior written notice thereof (if such notice is required under the Applicable Banking Regulations applicable at that time) and, following the expiry of all relevant statutory time limits, the Relevant Authority is no longer entitled to object or impose changes to the proposed modification. In connection with any modification made pursuant to this Condition 14.2, the Issuer shall comply with the rules of any stock exchange on which the Notes are then listed or admitted to trading and of any authority that is responsible for the supervision or regulation of such exchange.

Any such modification shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to the Noteholders in accordance with Condition 13 (*Notices*).

For the avoidance of doubt, any modification or variation pursuant to this Condition 14 is subject to the provisions of Condition 8.8 (*Regulatory conditions for call, redemption, repayment or purchase*).

15. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for 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 Notes.

16. GOVERNING LAW AND SUBMISSION TO JURISDICTION

16.1 Governing law

The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by, and shall be construed in accordance with, Italian law.

16.2 Submission to jurisdiction

Each of the Issuer and the Noteholders irrevocably agrees that the courts of Milan are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes (including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes) and accordingly each of the Issuer and the Noteholders submits to the exclusive jurisdiction of such courts.

Each of the Issuer and the Noteholders waives any objection to the courts of Milan on the grounds that they are an inconvenient or inappropriate forum.

17. CONTRACTUAL RECOGNITION OF BAIL-IN POWER

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuer and any holder of the Notes and without prejudice to Article 55(1) of the BRRD, each Noteholder, by virtue of its acquisition of the Notes (whether on issuance or in the secondary market), agrees to be bound by and consent to:

(a) the effects of the exercise of the Bail-In Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof:

(i) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto;

(ii) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions;

(iii) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and

(iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest become payable, including by suspending payment for a temporary period; and

(b) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Bail-In Power by the Relevant Authority.

Each Noteholder further agrees that the rights of the Noteholders are subject to, and will be varied if necessary so as to give effect to, the exercise of any Bail-In Power by the Relevant Authority.

Upon the Issuer becoming aware of the exercise of the Bail-In Power by the Relevant Authority with respect to the Notes, the Issuer shall provide a notice to the holders of the Notes in accordance with Condition 13 (*Notices*) as soon as reasonably practicable. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-In Power nor the effects on the Notes described in this Condition 17.

The exercise of the Bail-In Power by the Relevant Authority with respect to the Notes shall not constitute an Event of Default and the terms and conditions of the Notes shall continue to apply to the Outstanding Principal Amount of the Notes subject to any modification of the amount of interest payments to reflect the reduction of the Outstanding Principal Amount, and any further modification of the terms that the Relevant Authority may decide in accordance with applicable laws and regulations, including in particular the BRRD and the SRM Regulation.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of the Bail-In Power.

ANNEX 1

PROVISIONS FOR MEETINGS OF NOTEHOLDERS

1. DEFINITIONS

In the Conditions, the following expressions have the following meanings:

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 6 (*CHAIRMAN*);

"**Eligible Voter**" means the person in whose account with Monte Titoli the relevant Note is held by the relevant Monte Titoli Account Holder, as evidenced by the Participating Notification, as at the close of business on the Record Date, taking into account Article 83-sexies of the Italian Finance Act;

"**Extraordinary Resolution**" means a resolution passed at a Meeting duly convened and held in accordance with this Provisions for the Meetings of Noteholders by the majority specified under paragraph 7 (*QUORUM*);

"**Meeting**" means a meeting of Noteholders (whether originally convened or resumed following an adjournment);

"**Participating Notification**" means in relation to any Meeting, the notification requested by any Noteholder, issued by the relevant Monte Titoli Account Holder and notified electronically to the Issuer through the Monte Titoli systems or any other electronic platform, in accordance with Article 83-sexies of the Italian Finance Act, setting out, *inter alia*, (i) the aggregate principal amount of the Notes in respect of which the notification is given and (ii) that the person identified therein is entitled to attend and vote at the Meeting as an Eligible Voter;

"**Proxy**" means, with respect to a Meeting, a person appointed to vote by the Eligible Voter under a Proxy Delegation other than:

(a) any person whose appointment has been revoked and in relation to whom the Issuer or Monte Titoli or the Paying Agent, if applicable, has been notified in writing of such revocation by close of business of the second business day before the time fixed for the relevant Meeting; and

(b) any person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been reappointed, or was not originally appointed, to vote at the Meeting when it is resumed;

"**Proxy Agent**" means, in relation to any Meeting, Monte Titoli when appointed by the Issuer to provide proxy services;

"**Proxy Delegation**" means, , in relation to any Meeting, a document (or, in case Monte Titoli is appointed as Proxy Agent, an electronic notification) requested by any Eligible Voter in accordance with applicable laws and regulations, delivered to the Issuer or Monte Titoli or the Paying Agent, if applicable, and the Issuer in respect of any Eligible Voter:

(a) certifying that the Eligible Voter or a duly authorised person on its behalf has instructed the relevant Proxy named therein that the votes attributable to such Notes are to be cast in a particular way on each resolution to be put to the Meeting;

(b) listing the total number of the Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution;

(c) authorising the relevant Proxy named therein to vote in respect of the Notes in accordance with such instructions;

"**Record Date**" means the seventh Stock Exchange Day prior to the date fixed for any Meeting, provided that if the notice convening the Meeting already fixes the date of the adjourned Meeting, the Record Date will be the seventh Stock Exchange Day prior to the date fixed for the original Meeting, in accordance with Article 83-sexies of the Italian Finance Act;

"**Stock Exchange Day**" means any day on which Euronext Dublin (for so long as the Notes are admitted to trading on, and listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market) or any other market on which the relevant Notes are listed, is open for business;

"**Relevant Fraction**" means:

(a) for all business other than voting on an Extraordinary Resolution, one tenth or at any adjourned meeting two or more persons being or representing the majority of the Noteholders attending at the relevant meeting whatever the nominal amount of the Notes so held or represented;

(b) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter, is two or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented; and

(c) for voting on any Extraordinary Resolution relating to a Reserved Matter, two or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting such meeting two Voters representing or holding not less than one-third in nominal amount of the Notes for the time being outstanding.

"**Reserved Matter**" means any proposal:

(a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;

(b) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;

(c) to change the currency in which amounts due in respect of the Notes are payable;

(d) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or

(e) to amend this definition;

"**Voter**" means, in relation to any Meeting, the Eligible Voter identified in the relevant Participating Notification or, if a Proxy Delegation has been issued in respect to an Eligible Voter, any Proxy;;

"**Written Resolution**" means a resolution in writing signed by or on behalf of holders of not less than 75 per cent. in nominal amount of the Notes outstanding who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Provisions for the Meetings of Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes;

2. ISSUE OF PARTICIPATING NOTIFICATIONS AND PROXY DELEGATIONS

Any holder of a Note who wishes to participate in any Meeting, whether in person or via Proxy Delegation, must request the Monte Titoli Account Holder to issue a Participating Notification which will be the sole certification required to identify, on the day of the relevant meeting, the Eligible Voter. Eligible Voters who may not wish to attend and vote at the relevant Meeting in person, shall, in addition to the issuance of the Participating Notification, send, or instruct the Monte Titoli Account Holder to send, a Proxy Delegation not later than close of business on the third Stock Exchange Day before the date fixed for the relevant Meeting, provided that Proxy Delegations may be issued also after such time until the meeting starts. Proxy Delegations are to be sent to Monte Titoli if the Issuer has appointed Monte Titoli as Proxy Agent, acting in its capacity as Proxy or to the Paying Agent for the Dematerialised Notes, if applicable. So long as a Proxy Delegation is valid, any Proxy named therein shall be deemed a Voter for all purposes in connection with the Meeting.

3. VALIDITY OF PROXY DELEGATIONS

A Proxy Delegation shall be valid only if received by Monte Titoli, to the extent appointed as Proxy Agent, and the Issuer and the Paying Agent, if applicable, not later than close of business on the third Stock Exchange Day before the date fixed for the relevant Meeting, provided that any Proxy Delegation received before the Meeting proceeds to business shall also be valid. If the Issuer requires, a copy of each Proxy Delegation and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Issuer shall not be obliged to investigate the validity of any Proxy Delegation.

4. CONVENING OF MEETING

The Issuer may convene a Meeting at any time, and shall be obliged to do so upon the request in writing of Noteholders holding not less than 10 (ten) per cent. in nominal amount of the Notes for the time being remaining outstanding.

5. NOTICE

At least 21 calendar days notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the Noteholders by the Paying Agent, if applicable (with a copy to the Issuer) and/or Monte Titoli. The notice shall include, amongst others, a statement specifying that those proving to be holders of the Notes only after the Record Date shall not have the right to attend and vote at the relevant Meeting.

6. CHAIRMAN

An individual (who may, but need not, be a Noteholder) nominated in writing by the Issuer may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

7. QUORUM

The quorum at any Meeting shall be at least two Voters representing or holding not less than the Relevant Fraction of the outstanding aggregate principal amount of the Notes, provided, however, that a different majority may be required pursuant to articles 2415, 2368 and 2369 of the Italian Civil Code and the Issuer's by-laws.

8. ADJOURNMENT FOR WANT OF QUORUM

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

(a) in the case of a Meeting requested by Noteholders, it shall be dissolved; and

(b) in the case of any other Meeting, it shall be adjourned for such period (which shall be not less than 14 calendar days and not more than 42 calendar days) and to such place as the Chairman determines; *provided, however, that*:

(i) the Meeting shall be dissolved if the Issuer so decides; and

(ii) no Meeting may be adjourned more than once for want of a quorum.

9. ADJOURNED MEETING

The Chairman may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

10. NOTICE FOLLOWING ADJOURNMENT

Paragraph 5 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

(a) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

11. PARTICIPATION

The following may attend and speak at a Meeting:

(a) Voters;

(b) representatives of the Issuer and of any legal person that is part of the Group;

(c) the financial advisers of the Issuer;

(d) the legal counsel to the Issuer;

(e) the Paying Agent; and

(f) any other person approved by the Meeting.

12. SHOW OF HANDS

Every question submitted to a Meeting shall be considered as a resolution and decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

13. POLL

A demand for a poll shall be valid if it is made by the Chairman, the Issuer or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Notes. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairman directs.

14. VOTES

Every Voter shall have:

(a) on a show of hands, one vote; and

(b) on a poll, the number of votes obtained by dividing that fraction of the aggregate principal amount of the outstanding Note(s) represented or held by it by the lowest denomination of the Notes.

In the case of a voting tie the Chairman shall have a casting vote.

Unless the terms of any Proxy Delegation state otherwise, a Voter shall not be obliged to exercise all the votes to which it is entitled or to cast all the votes which it exercises in the same way.

15. VOTING BY PROXY

Any vote by a Proxy in accordance with the relevant Proxy Delegation shall be valid even if such Proxy Delegation or any instruction pursuant to which it was given has been amended or revoked, provided that the Paying Agent, or Monte Titoli, to the extent appointed as Proxy Agent, or the Issuer has not been notified in writing of such amendment or revocation by the time which is 48 hours before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a Proxy Delegation in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; provided, however, that, unless the Proxy Delegations specify otherwise, no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed and any person appointed to vote at such a Meeting must be re-appointed under a further Proxy Delegation to vote at the Meeting when it is resumed.

The Proxy shall be signed by the person granting the Proxy, shall not be granted in blank, and shall bear the date, the name of the person appointed to vote, and the related Proxies. If, in relation to any given resolution, there is no indication of how the right to vote is to be exercised, then such vote shall be deemed to be an abstention from voting on such proposed resolution.

16. POWERS

A Meeting shall have power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

(a) to approve any Reserved Matter;

(b) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any of the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;

(c) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;

(d) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or any act or omission which might otherwise constitute an event of default under the Notes;

(e) to authorise the Paying Agent or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(f) to give any other authorisation or approval which is required to be given by Extraordinary Resolution; and

(g) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

17. EXTRAORDINARY RESOLUTION BINDS ALL HOLDERS

An Extraordinary Resolution shall be binding upon all Noteholders whether or not present at such Meeting and each of the Noteholders shall be bound to give effect to it accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances of such resolution justify the passing thereof. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and the Paying Agent within 14 calendar days of the conclusion of the Meeting.

18. MINUTES

Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairman shall sign the minutes, which shall be conclusive evidence of the proceedings recorded therein and until the contrary is proved. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

19. WRITTEN RESOLUTION

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

ANNEX 2

FURTHER INFORMATION IN RESPECT OF THE ISSUER

Further information relating to the Issuer is set out below, pursuant to Article 2414 of the Italian Civil Code.

Objects:	The corporate purpose of Banca del Fucino S.p.A. (the "**Issuer**") is the collection of savings from the public, the exercise of lending activities, and securities intermediation. The Issuer may carry out all banking and financial operations and services permitted under applicable regulations, including, within the limits and under the conditions established by Legislative Decree No. 385 of 1 September 1993, the activity of lending secured by pledge, as well as any other activities or transactions that are instrumental or otherwise connected to the pursuit of the corporate purpose. The Issuer may also provide investment services, subject to obtaining the necessary authorizations. The Issuer may furthermore, subject to obtaining the necessary authorizations, engage in any financial activity permitted by law, including the purchase of business receivables. The Issuer, in its capacity as parent company of the "Igea Banca" Banking Group pursuant to Article 61, paragraph 4 of the Legislative Decree No. 385 of 1 September 1993, issues, in the exercise of its management and coordination activity, directives to the Group's components for the implementation of the instructions issued by the Bank of Italy in the interest of the stability of the Group.
Registered office:	Via Tomacelli 107, 00186 Rome, Italy
Issuer registration:	Tax Code and Companies' Register of Rome enrolment no. 04256050875
Amount of paid-up share capital:	Paid-up share capital: €270,346,566.46 as at 31 December 2025, consisting of 157,645,889 ordinary shares without an indication of nominal value
Amount of reserves:	€40,129,234, as at 31 December 2025
Board resolutions approving the issuance of the Notes:	Resolutions approved by meetings of the Board of Directors dated 30 September 2025, 27 November 2025, 25 March 2026, 28 May 2026, 30 June 2026 and 16 July 2026

USE OF PROCEEDS

The net proceeds from the issue of the Notes will be applied by the Issuer for its general corporate purposes and to improve the regulatory capital structure of the Group.

DESCRIPTION OF THE ISSUER

Overview

Banca del Fucino S.p.A. (the “**Issuer**” or the “**Bank**” or “**Banca del Fucino**”) is an independent bank incorporated on 19 February 2005 as a joint stock company (*società per azioni*) in Italy in accordance with the provisions of the Italian Civil Code, with a duration until 2050.

The Issuer has its registered office at Via Tomacelli 107, 00186 Rome, Italy (phone number 06/689761) and is registered with the Companies' Register of Rome under registration number 04256050875. The Issuer is registered with the register of banks (*Albo delle Banche*) and the register of banking groups (*Albo dei Gruppi Bancari*) held by the Bank of Italy, ABI code 3124. The Issuer's LEI code is 815600722FAEE18D6013. The Bank's website is https://bancafucino.it/, however, any information contained in any other website specified in these Listing Particulars does not form part of these Listing Particulars, except where that information has been incorporated by reference into these Listing Particulars.

The Issuer's business is mainly concentrated in the following areas:

(i) Commercial Banking: a commercial network at the service of its customers;

(ii) Private Banking: tradition and innovation in asset management;

(iii) Finance & Treasury: structured finance solutions for tailor-made support; and

(iv) Health & Pharma: financial solutions that meet the real needs of the sector.

For an overview of the business segments as well as the Group's consolidated net banking income and net profit (loss) from financial activities for the Group's core business segments, refer to the section headed “*Documents Incorporated by Reference*”.

As of 31 December 2025, the Group reported total assets of €5.5 billion, loans to customers of €2.9 billion, direct funding of €4.2 billion and shareholders' equity of €344.5 million. The Group reported a CET1 ratio of 15.0% and Total Capital ratio of 18.3% as of 31 December 2025, supported by capital strengthening actions completed during 2025 financial year.

History and Development

Founded on 4 July 1923, Banca del Fucino recently celebrated the centenary of its establishment. Created by Giovanni and Carlo Torlonia, its name is closely tied to the land reclamation and reorganization works in the Fucino plain in the Abruzzo region.

Over the course of 100 years, the Bank has not only established itself as the oldest private bank in Rome but has also demonstrated its ability to preserve its identity while navigating the profound transformations Italy has undergone over the past century. The banking and financial landscape of the capital has likewise experienced significant changes, particularly due to a wave of consolidation in recent decades that has notably reduced the number of local banking institutions.

In this context, a century after its foundation, Banca del Fucino reaffirms its distinctive identity as an independent private bank with deep roots in its reference territory.

Between 2018 and 2020, Banca del Fucino was the focus of a recapitalization and relaunch operation, successfully concluded in June 2020.

As a result of this initiative - which brought together Banca del Fucino and BIAE (a bank specialized in securitisations, salary-backed loans and known for its innovative digital hub) - Banca del Fucino became the parent company of the newly established Igea Banca Banking Group.

Today, Banca del Fucino controls Fucino Finance S.p.A. (“**Fucino Finance**”), a financial intermediary specialized in employment-related loans, and Banca Italiana per l'Ambiente e per l'Energia S.p.A. (“**BIAE**”, formerly “Igea Digital Bank S.p.A.”, as more fully described under paragraph *“Amendments to the Articles of Association of BIAE”* below), one of the first Italian banks specialized in lending to small and medium-sized enterprises through a digital platform. BIAE has now been entrusted with a new mission as the Group's sustainability and energy transition-focused bank.

In recent years, the Bank has expanded the scope of its operations, effectively responding to the evolving financial product and service needs of households and businesses - while remaining true to its original vocation. This enduring commitment is particularly evident in the Bank's embrace of new technologies and the digitization of its banking services, aimed not at replacing but rather enhancing and strengthening the direct relationship with its clientele, an essential feature of community banking.

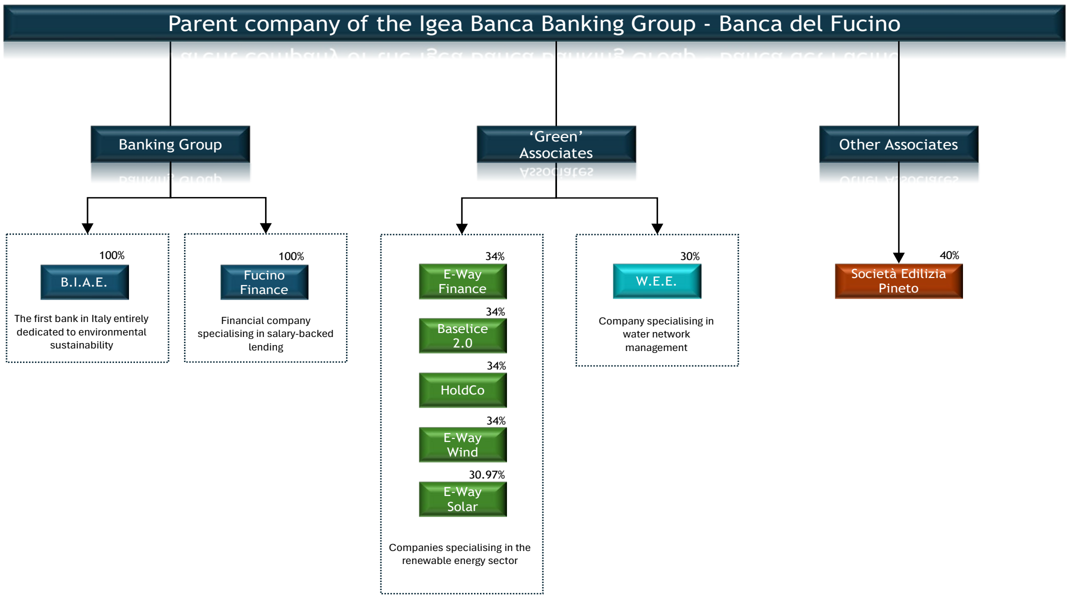
Particularly noteworthy is the Bank's commitment to the promotion of artistic and cultural activities. Banca del Fucino has adopted a broad concept of sustainability, incorporating culture - understood as a defining element of our social environment - within the ESG (Environmental, Social, Governance) framework. This approach led to the Bank's decision, in 2020, to become a patron of the historic cultural institution the *Teatro dell'Opera di Roma*.

Banca del Fucino currently operates 40 branches and private banking centers, primarily within its traditional regions of Lazio, Abruzzo, Marche, and Sicily. It also has a strong presence in Milan, Padua, Verona, and Bologna.

Group Structure and business

Banca del Fucino currently acts as the parent company in the Igea Banca Banking Group. Within the group, the following companies have been established: Fucino Finance as a financial intermediary pursuant to article 106 of Legislative Decree No. 385/1993 (the "**Italian Banking Act**" or "**TUB**") operating in the field of loans to employees (CQS, TFS, etc.) and BIAE, a pioneer among Italian banks specializing in providing loans to small and medium enterprises ("**SMEs**") and professionals through a proprietary digital platform**.**

Below is a summary of the Group and the other associates of Banca del Fucino as of 31 December 2025.



Operation for the business development of the affiliates in the environmental sphere

E-Way Finance, incorporated in 2020 on the initiative of Banca del Fucino and Alma Energia S.r.l. ("**Alma Energia**"), has become an established player in the development, enhancement and transfer of projects in the renewable energy sector, with a focus on institutional and industrial investors. In line with its strategic objectives, E-Way Finance has developed multidisciplinary skills in-house for the designing and structuring of investment proposals that are sustainable from a technical, financial, legal, administrative and reputational perspective, mainly aimed at investment funds and other institutional investors. In the original shareholding structure of E-Way Finance, Banca del Fucino held 24.5% of the share capital, Alma Energia 45% and IRR S.r.l. 30.5%. On the other hand, Fucino Green, a subsidiary of the Bank specialising in renewable energy investments, was set up in 2021 to acquire a number of corporate vehicles that own photovoltaic asset licensing projects under development.

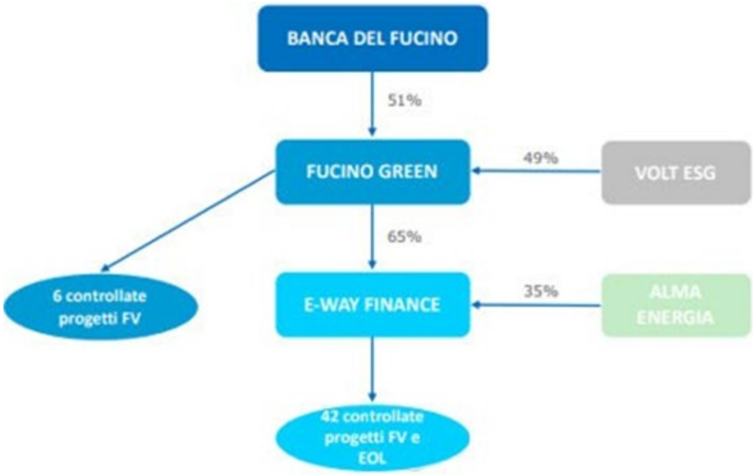
In December 2021, the Bank signed an investment agreement with Volt ESG S.r.l. ("**Volt ESG**"), a new strategic partner in the renewable energy sector; under the agreement the Bank contributed its stake in E-Way Finance (27.5% of its capital at the time of the contribution) to Fucino Green and transferred 30% of Fucino Green's capital to Volt ESG. Subsequently, in

2022, the Bank sold a further 19% stake in Fucino Green to Volt ESG. In turn, Fucino Green increased its stake in E-Way Finance by purchasing the remaining share held by IRR S.r.l.

In December 2022, E-Way Finance entered into a co-development agreement with Valma ESG S.r.l. (hereafter Valma ESG), a company 80% owned by Volt ESG and 20% owned by Alma Energia. Under the agreement, wind and photovoltaic projects totalling 204 MW, specifically identified, will be transferred to Valma ESG upon reaching Ready to Build (RTB) status, for a consideration of approximately €50,000/MW.

In addition, the agreement stipulates that when Valma ESG reaches a margin of €25 million, any margin exceeding this threshold shall be paid back to E-Way Finance.

As of 31 December 2023, following further transactions completed during the year, the shareholders of Fucino Green and E-Way Finance were as follows:



In essence, until the completion of the merger and subsequent partial demerger involving Fucino Green and E-Way Finance (hereinafter, the "**Unified Transaction**" or the "**Transaction**"), Banca del Fucino held a direct controlling interest in Fucino Green and an indirect interest in E-Way Finance, which, by virtue of specific agreements entered into between the shareholders, was configured as joint control under IFRS 11.

Following an initial period characterised by origination activities and the structuring of the project portfolio, with more than 3 GW under development and about 1 GW undergoing authorisation procedures, E-Way Finance started to implement its operational strategy. In summary, prior to the Unified Transaction, the situation was as follows:

- E-Way Finance had 18 MW ready for the commencement of work and projects in excess of 300 MW that had received favourable opinions from the relevant authorities and were at an advanced stage of negotiation for the granting of final authorisations; and
- Fucino Green had a 48 MW project portfolio, of which about 35 MW were under construction or already classified as ready to build (RTB), and 13 MW were under development. In addition, a strategic agreement had been entered into for the development of a further 140 MW on land made available by Bonifiche Ferraresi.

In view of the results achieved, the Bank, Alma Energia and Volt ESG acknowledged the need for a strategic realignment to redefine E-Way Finance's mission as an integrated Independent Power Producer (IPP). Following this transition, the development, construction and ownership of the plants will be directly managed, while divestment will be limited to projects that exceed the in-house construction capacity. The common strategic objective is to maximise the value of E-Way Finance within the next three years by securing authorisations for more than 1 GW, a continuous expansion of the project portfolio and the construction of at least 300 MW of wind and photovoltaic plants.

This strategy aims to create a solid recurring revenue base and to demonstrate delivery capacity, both in development and installed power. With this in mind, in October 2024, the Bank entered into a new agreement with Alma Energia and Volt ESG, establishing the following priority actions (Steps):

1. implementation of a new corporate structure to align shareholders' interests, by creating specialised companies that can stand out in their respective market segments and respond to investors' needs. This reorganisation will be carried out through a Unified Transaction, comprising the merger of Fucino Green into E-Way Finance, followed by the partial and proportional demerger of New E-Way Finance into four newly incorporated companies (Step 1);
2. termination of the co-development agreement with Valma ESG, in view of the sale of 100% of the shares in Valma ESG by Volt ESG and Alma Energia to New E-Way Finance (Step 2);
3. start of negotiations to conclude the necessary agreements for the construction of the Baselice wind power project (18 MW - Wind Power) (Step 3);
4. gradual setting up of a new team dedicated to construction and operational management (Step 4);
5. formation of a vehicle dedicated to the development of storage projects, an activity that is in synergy with E-Way Finance origination capabilities and the experience gained by Volt ESG, especially in the UK (Step 5);
6. expansion of operations through the acquisition of RTB projects from third parties (Step 6); and
7. start of negotiations in view of entering into partnerships with parties interested in acquiring minority interests (up to 49%) in the companies resulting from the demerger or in the SpVs that hold the individual projects or portfolios (Step 7).

With regard to Step 1, the agreement provided for the completion of the Unified Transaction by 31 December 2024. As already mentioned, the Transaction provided for a merger of Fucino Green into E-Way Finance and a simultaneous (but chronologically subsequent) partial and proportional demerger of E-Way Finance, in its post-merger configuration (New E-Way Finance), with the following newly incorporated joint-stock companies as beneficiaries of the demerger:

- E-Way Wind (EWF-W): beneficiary of an advanced wind power projects portfolio totalling 348 MW, intended for construction and direct operation;
- E-Way Solar (EWF-S): beneficiary of an advanced photovoltaic projects portfolio amounting to 427.4 MW, which will be built and directly operated;
- E-Way Baselice 2.0 (EWF-B): beneficiary of the stake in the existing vehicle, E-Way Baselice, in charge of the Baselice wind project (18 MW), for which an investor interested in acquiring 49% of the shares has already been identified; and
- HoldCo: beneficiary of all advanced projects not allocated to EWF-W and EWF-S, for a total of 419.5 MW. Once RTB status is achieved, the projects managed by HoldCo can be sold on the market or transferred to EWF-W/EWF-S for implementation.

In implementation of the foregoing, on 18 October 2024, the shareholders' meetings of E-Way Finance and Fucino Green, meeting in extraordinary session, approved, each for the parts within their purview, the "Unified Terms of Merger" of Fucino Green into E-Way Finance and the subsequent partial and proportional demerger of E-Way Finance.

On 23 December 2024, having ascertained that the creditors did not raise any objection before the legal deadlines, the legal representatives of the companies involved signed the deed of merger and demerger. The legal, accounting and tax effects of the Unified Transaction run from the date of the last of the registrations provided for in Articles 2504 and 2506-quater of the Italian Civil Code, *i.e.* from 24 December 2024.

In this new organisational structure, New E-Way Finance, as the acquiring and demerged company, will continue to manage development activities, using most of its current resources and retaining ownership of projects in the preliminary stages (over 2 GW).

In addition, it will position itself in the market as an independent consultant in the renewable energy sector, offering advisory and technical due diligence services for purchase, sale and financing transactions. The company will also provide the necessary technical and administrative services to EWF-W, EWF-S, EWF-B and HoldCo under specific service agreements at market conditions. Following the Unified Transaction, Banca del Fucino, Alma Energia and Volt ESG hold, respectively, 34%, 33% and 33% of the capital of all the companies resulting from the transaction.

The new companies were recognised in the accounts of Banca del Fucino at their fair value, which is the exchange valuation prepared by the expert during the merger and demerger, and adjusted in the consolidated accounts up to the residual fair value of the former E-Way Finance. In this regard, the parent company appointed a leading advisor to assess the accounting treatment of the unified transaction.

Launch of Fucino Finance's capitalisation

The Issuer's Board of Directors at its meeting on 22 February 2024 and, subsequently, the Board of Directors of the subsidiary Fucino Finance, at the Board meeting on 23 February 2024, approved the launch of the Fucino Finance's capitalisation for a total amount of €15,000,000, in line with the business plan approved in December 2023.

On 6 March 2024, therefore, prior disclosure was sent to the Bank of Italy pursuant to Bank of Italy Circular No. 288/2015 as amended, concerning these transactions.

On 19 April 2024, the Bank of Italy notified its favourable decision on the Bank's proposed capitalisation.

Therefore, the extraordinary shareholders' meeting of Fucino Finance, in its meeting of 11 June 2024, resolved to amend article 5 of its articles of association, subject to prior full subscription by the Issuer. As a result, the share capital of Fucino Finance amounts to €29,850,000, divided into the same number of ordinary shares with a nominal value of €1 each.

At the end of the meeting, subsequent disclosures were sent to the Supervisory Authority, again in accordance with the aforementioned regulatory provisions.

Reorganisation of the BIAE operating model

The implementation of the subsidiary's new business plan called for an organisational review of the Bank in order to better capture the synergies to be generated within the Group.

To this end, in 2024, the Group started a review of the BIAE's operating model in view of the launch of new products. To this end, the Issuer coordinated the project for the evolution of the application infrastructure, the operational processes, and the reallocation of internal resources, the streamlining of the offices by centralising resources at the Rome headquarters, and the recruitment of new professionals specialising in "Green" matters in line with the new business objectives.

More specifically, the following objectives were achieved:

- internal organisational controls on the credit sector were consolidated in order to take into account the specific operational and business characteristics and to enhance the acquired skills and professionalism; and
- centralisation within the parent company of Organisation & IT supervision.

For BIAE, the value proposition is focused on specific segments related to energy transition and, more broadly, to sustainability, by leveraging the know-how gained in-house, especially in the renewable energy sector.

First, BIAE's products and services will be mainly aimed at supporting investments and at strengthening SMEs engaged in energy transition challenges, with financing products mainly backed by public guarantees (MCC, SACE and ISMEA). The bank has already developed a new catalogue of highly specialised financing products, which were tested in 2024. The flagship product is the medium to long-term financing of photovoltaic projects from 0.1 to 10MW ("non-utility scale" plants), i.e. investments from €200 thousands to €10 million. This segment, beneficiary of the majority of the authorisations (thanks also to much faster administrative processes compared to large scale or utility scale projects) and which is also the core of the energy transition, is today poorly covered by the traditional banking system. The large national and international banks certainly have significant expertise in the energy field, but this expertise is mainly concentrated in project finance teams that can only be accessed with projects that are on average not less than €25 million. Smaller transactions, on the other hand, are left to the network, which does not have the expertise to understand and structure them in the most efficient way, except by making use of collateral and cash flows from other traditional activities.

Secondly, BIAE also offers advisory activities, designed with a view to building a one-stop-shop for SMEs in the energy transition sector and especially in the segment of small and medium-sized renewable energy generation projects.

The most typical advisory activities are:

- merger and acquisitions ("**M&A**") mandates (buyside and sellside) for the sale of renewable energy projects or portfolios of operating plants;
- certification of financial plans for the submission of projects; and
- debt advisory for large-scale projects (which do not fall under the Green lending target).

The guidelines of the new business plan are being prepared and will be included in the broader Group's business plan review process.

Perpetual and irredeemable payment on account of future capital increase of BIAE

Following a board resolution on 27 June 2024, pending the launch of the overall relaunch project of BIAE, Banca del Fucino, on 28 June 2025 and on 30 September 2025, made perpetual and irredeemable payments on account of a future capital increase in favour of the subsidiary, each in the amount of €5,000,000.00.

Disposal of shareholding in REDD S.r.l.

At the Board meeting of 27 June 2024, the Bank's Board of Directors passed a resolution on the disposal of the shareholding in REDD S.r.l. ("**REDD**"), originally acquired in 2021. Briefly stated, in compliance with the relevant civil law rules, following the Bank's sale of its stake in the subsidiary, the "GEOREDD" business unit was transferred to the parent company, an application that enables the identification of the geographical location of buildings, their land registry details and the applicable planning regulations, while also giving access to the relevant documentation.

Without prejudice to REDD's core projects that will be advocated by the current governance and shareholders - the transfer of the above-mentioned business unit was advocated because of specific contextual opportunities, as "GEOREDD" is well suited to be used in order to:

(i) strengthen the capabilities of analysis and preliminary selection of financing opportunities with special but not exclusive focus on the assessment of real estate and renewable energy projects submitted by clients; and

(ii) increase the range of services offered to customers within the Bank's (and the Group's) traditional advisory activities in the real estate and renewable energy sectors (in this regard, considering the prospective activities in the pipeline).

On 11 July 2024, Banca del Fucino completed the disposal of its stake into REDD., with the simultaneous acquisition by Banca del Fucino of the business unit called "GEOREDD".

Acquisition of a shareholding in Consorzi d'Italia S.p.A.

By resolution on 18 November 2024, the Board of Directors authorised the purchase of a shareholding (approximately 1.5% - 2%) in Consorzi d'Italia S.p.A. ("**CAI**").

The transaction is part of the Group's growth initiatives in the agricultural sector and in the Bank's areas of activity, with special focus on both the Umbria region - such growth can be adequately supported by the investment in question and by subsequent agreements to be entered into with CAI - and in the Emilia Romagna region, an area in which CAI has widespread activities and in which the Bank and the Group have traditionally been interested in developing and expanding their business.

BIAE – Strategic agreement for equity participation

In a highly competitive and constantly evolving environment, growth and sustainability increasingly depend on the ability to establish strategic partnerships with institutional and industrial operators. These partnerships represent not only a financial contribution but also real levers for expanding the Issuer's industrial and commercial opportunities.

Bringing selected partners into the equity enables the capital structure to be strengthened and, at the same time, provides access to specialist expertise, distribution networks and new markets that would be difficult to reach independently. Collaboration with qualified operators also encourages the sharing of know-how, accelerates innovation processes, supports the development of new products and services and helps improve overall competitiveness.

In this context, during 2024 the Issuer initiated discussions with leading institutional investors, selected not only for their financial strength but also for their ability to contribute to the industrial and commercial development of the new bank dedicated to the environment and energy.

Building on the expertise developed in the renewable energy sector, activities continued with a view to defining a strategic agreement with a leading Italian industrial group, a market leader in the multi-utility sector and active in the management and development of services and infrastructure in the water, energy and environmental sectors.

These discussions led to the signing of an investment agreement in the second half of 2025 between Banca del Fucino, BIAE and the identified strategic partner, subject solely to approval by the competent Supervisory Authority. The agreement made it possible to expand the Issuer's and the Group's offering with a leading operator in the integrated management of essential public services, recognised for its strength, innovative capacity and commitment to environmental and social sustainability.

Amendments to the By-Laws of BIAE

On 24 July 2025, Banca del Fucino and BIAE (formerly Igea Digital Bank), following the resolutions adopted by their Boards of Directors on, respectively, 29 May 2025 and 14 May 2025, submitted to the Bank of Italy an application containing a proposal to amend the by-laws of BIAE (formerly Igea Digital Bank).

The proposed amendment concerns the change of the corporate name to "*Banca Italiana per l'Ambiente e per l'Energia S.p.A.*" ("**BIAE**"), pursuant to and for the purposes of article 56 of the Italian Banking Act and the related implementing provisions set forth in Bank of Italy Circular No. 229/1999, Title III, Chapter 1 (as subsequently amended and supplemented). On 4 August 2025, the Supervisory Authority, by measure Prot. No. 1548058/25, determined that the proposed amendments to the subsidiary's articles of association are not inconsistent with the principles of sound and prudent management.

The proposal to amend the corporate name of the subsidiary is part of the strategic development plan previously outlined and reflects the bank's intention to advance its rebranding process, in order to support its forthcoming industrial and market positioning initiatives.

BIAE intends to support the energy and environmental transition of SMEs and sector operators through targeted, flexible, and integrated solutions. BIAE, leveraging its experience as a digital platform, aims to be a concrete and efficient banking partner, capable of assisting enterprises with speed and expertise.

On 1 October 2025, BIAE makes its debut as Italy's first bank entirely dedicated to environmental sustainability and the energy transition. BIAE combines the solidity of a long-standing private banking tradition with an innovative and specialized approach.

BIAE's mission is to support the energy transition, positioning itself as a "One-Stop Energy Shop" able to integrate financial strength and technical expertise across all phases of sustainable project development.

BIAE aims to support its clients through two main divisions:

- Green Lending: offering financing solutions for sustainable investments and liquidity optimization and management; and
- Green Advisory: providing specialized consulting services as well as M&A and debt advisory expertise.

BIAE will focus on sectors characterized by strong demand for financial solutions that are often underserved by traditional banks. Among these, for instance, is the small- and medium-scale photovoltaic plant segment, which currently represents one of the main growth drivers for the expansion of renewable energy installations (RES) in Italy. At the same time, BIAE will serve SMEs engaged in ecological and energy transition processes, offering concrete solutions to support their growth.

BIAE's flagship product is medium- to long-term financing for photovoltaic plants authorized through simplified procedures.

Its operating model ensures fast and efficient processes and provides financial leverage of up to 90% of project costs, supported by a streamlined organizational structure and a team of professionals with extensive industry expertise.

Business Strategy

In April 2026, the Board of Directors of the Issuer approved the business plan for the period 2026-2028 (the "**Business Plan**"). The Business Plan is based on the following strategic priorities: (i) implementation of remedial actions, (ii) relaunch of the business model (including through inorganic strategies) and (iii) full potential achievement of the Bank's operations.

The Business Plan is articulated along the following strategic pillars:

(a) **Capital position strengthening (*Heal*)**: the Issuer aims to strengthen its capital position through, *inter alia*: (i) the issuance of Additional Tier 1 instruments in the first half of 2026 and (ii) NPL derisking through the disposal of non-performing exposures during the 2026-2027 period;

(b) **Risk management and risk-adjusted profitability optimization (*Relaunch*)**: the Issuer intends to pursue a commercial relaunch through: (i) the growth of the net fee income by increasing indirect funding and revising pricing on short-term lending products; (ii) rebalancing of the loan portfolio towards retail customers, aimed at mitigating the effect of reduced state guarantees (MCC/SACE) while optimizing capital absorption and default rates; (iii) improvement of asset quality through NPL disposals and reduction of the average probability of default; (iv) the development of BIAE (*Banca Italiana per l'Ambiente e l'Energia*) activities, with significant growth in project finance lending to SMEs in the renewable energy and ecological transition sectors; and (v) cessation of the tax credit trading business starting from 2028;

(c) **Commercial capacity enhancement (*Unlock*)**: the Issuer plans to unlock its commercial potential through: (i) strengthening of territorial presence with the full operationalization of newly opened branches in strategic areas (Brescia, Vicenza, Catania, Naples); (ii) sustained growth of assets under management and loans at both the Bank and BIAE level; (iii) expansion of the customer base and strategic partnerships through the development of distribution channels and digitalization; and (iv) implementation of a master plan aimed at optimizing the Group's cost base.

The Business Plan, as transmitted to the Bank of Italy, had been prepared on a stand-alone basis, without assuming the completion of the Acquisition (as defined below) in the section headed "*Recent Developments*".

During February 2026, the Bank of Italy - Banking and Financial Supervision Department, Banking Supervision Service 2 - submitted a communication concerning the collection of funding plans for less significant banks for the 2026-2027 period (hereinafter the "**Funding Plan 2026-2027**").

The Issuer defined the funding plans for the two-year period 2026-2027 and transmitted them to the Supervisory Board. Funding plans were defined taking into account the prior assessments carried out by the Issuer's control structures and submitted to the Issuer's Board of Directors and Board of Statutory Auditors.

Business Description

The Issuer's business is mainly concentrated in the following areas:

(i) Commercial Banking: a commercial network at the service of its customers;

(ii) Private Banking: tradition and innovation in asset management;

(iii) Finance & Treasury: structured finance solutions for tailor-made support; and

(iv) Health & Pharma: financial solutions that meet the real needs of the sector.

Consistent with the development path envisaged in the Business Plan, the relevant procedures for the opening of four new branches were commenced with the Supervisory Authority.

The initiative is aimed at strengthening the physical network by setting up branches in new high-potential areas as well as at consolidating the footprint in areas where the Bank is already present. As of 31 December 2024, two additional branches were opened in Rome, one in Palermo and, one in Bologna.

Enhancing the "merchant acquiring" sector - Claudius transaction

In 2023, the Issuer considered market opportunities in order to enhance its "merchant acquiring" division. Having started the necessary investigations and assessed the relevant profiles, in the second half of the year the Issuer's Board of Directors positively assessed, most recently at its meeting of 22 September 2023, the launch of a long-term partnership with the payment institute "WorldLine Merchant Service Italia S.p.A." (WorldLine Group - hereinafter for brevity "**WorldLine Italia**").

In October 2023, the Sales and Purchase Agreement ("**SPA**") was signed by the parties. The SPA sets out the terms qualifying the start-up of the above-mentioned projects from a corporate standpoint, and includes as an attachment the "Alliance Agreement" outline, *i.e.* the agreement with the Issuer for the distribution of WorldLine's merchant acquiring services, to be entered into upon the final closing of the main transaction.

The transfer of the business unit was finalised on 29 December 2023 (effective date of closing), in the context of which - consistent with the terms of the SPA - the "Alliance Agreement" was signed between the parties.

The "Alliance Agreement" concerns the agreement for the exclusive promotion and placement of the merchant acquiring and ancillary services between Banca del Fucino (placement agent) and Worldline Italia, for a term of five years, with an option to extend it twice for a further five years each at Worldline's sole discretion.

"Raisin" Project

As part of the initiatives aimed at expanding and diversifying the Group's liquidity sources, activities for accessing the "Raisin's Retail Funding Platform" were started in fiscal year 2023.

Through this initiative, the bank launched a new funding channel receiving funds from savings of current account holders located in EU countries characterised by lower yields than those on the Italian market (Germany). More specifically, after having opened a bank account with Raisin Bank AG, customers can open time deposits (with a term of 3 to 24 months and a minimum denomination of €10,000) with Banca del Fucino directly through the Raisin Platform.

Securitisation transactions

"Fucino Sme 2.0" Transaction

In May 2024, as part of the "Fucino SME 2.0" transaction and in order to strengthen the structural liquidity of Banca del Fucino, the "Fucino SME 2024-1" transaction was finalised as an extension to the previous "Fucino SME 2.0" transaction. Following the sale by the Bank of a portfolio valued at approximately €306.6 million, with underlying performing loans arising from unsecured loans backed by MCC and SACE guarantees and granted to SMEs, the transaction involved (i) the disbursement of a new facility for an amount of €230 million pursuant to Article 1 paragraph 1(b) of Law 130/99 ("**Senior Facility 2024**"), accounting for 73% of the capital structure, and (ii) the issuance by the vehicle of a new "Junior Note" ("**Junior Note B2**"), including cash reserves, accounting for the remaining 27%. It should be noted that the facility and the "Junior Note" disbursed and subscribed in the previous transaction ("**Senior Facility 2023**" and "**Junior Note B1**", respectively) have not been restructured. The facilities and notes disbursed/issued in 2023 and those disbursed/issued in 2024 are therefore to be understood as virtually separate and will be amortised following two different payment waterfalls, both on a pro-rata basis.

In December 2024, with the same objective as the "Fucino SME 2024-1" transaction, a third portfolio worth approximately €133.36 million was sold by Banca del Fucino with underlying performing loans arising from unsecured loans backed by MCC and SACE guarantees and granted to SMEs. The capital structure was developed through: (i) a top up of the Senior Facility 2024 for an amount of €100 million, pursuant to Article 1, paragraph 1(b) of Law 130/99, accounting for approximately 73% of the capital structure, and (ii) an up-size of the Junior Note B2, maturing in November 2052, fully subscribed by Banca del Fucino, accounting for the remaining 27%. The top up and the up-size were disbursed/issued on 12 December 2024 on an unrated and unlisted basis and held as dematerialised securities at Monte Titoli. It should be noted that no changes have been made to the capital repayment structure of the Senior Facility 2024, the Junior Note B2, the Senior Facility 2023 and the Junior Note B1 as a result of this addition.

Vittoria IV Securitisation

With regard to securitisation transactions with "third party" customers, it should be noted that in respect of one of them, called "Vittoria IV", an event of default was recorded on 29 February 2024 (non-payment of interest accrued on senior securities held by the Bank for a contractually predefined time period). Following this event, commercial negotiations were undertaken to dispose of this investment. On 31 December 2024, an agreement was signed for the sale of 100% of the senior class asset backed securities ("**ABS**") held by the Bank denominated "*Series IV Up to Euro 70,000,000 Class A Asset Backed Floating Rate Partly Paid Notes due November 2030*".

The transaction is part of the Group's broader derisking strategies on "peculiar" and impaired assets and, in particular, of the deconsolidation by the year 2025 of part of the Bank's investments in securitised instruments with "healthcare loans" as underlying assets.

The Bank's valuation of the purchase price offered took into account the opportunity to exit early from a transaction with underlying "peculiar" longer-term assets - while releasing risk-weighted assets and receiving cash available for lending and investments consistent with the business plan in force; it also took into account the results of an independent legal due diligence commissioned in November 2024 on the assets underlying the securitisation, which revealed some additional information on the recovery prospects of those loans (also in light of pending litigations) that prefigured an increase in the investment risk profile and generated greater uncertainty as to the possibility of fully recovering the Bank's exposure, thus justifying the discount applied to the nominal value of the securities. The choice of the acquiring party took into account the characteristics of the investor, already included in the securitisation and, accordingly, fully aware of the characteristics of the transaction and the prospects of recovering the securitised loans.

On 31 December 2024, the sale agreement was executed for 100% of the senior class ABS securities held by the Bank, denominated *"Series IV Up to Euro 70,000,000 Class A Asset Backed Floating Rate Partly Paid Notes due November 2030"*. The securities were sold on 15 January 2025.

Fucino Sme 5.0" Transaction

In the last quarter of 2025, Banca del Fucino structured the Fucino SME 2025 transaction (hereinafter also referred to as the '**Transaction**'), which is a restructuring of the previous transactions: Fucino SME 2.0, Fucino SME 3.0 and Fucino SME 4.0. As part of the transaction, the portfolio securitised in the previous transactions was subject to releveraging.

The transaction involved (i) the disbursement to the vehicle Fucino SME 2.0 S.r.l. of a new facility for an amount of €444,363,655 million pursuant to Article 1 paragraph 1(b) of Law 130/99 ("**Senior Facility 2024**"), and (ii) the issuance by the vehicle of a new "Junior Note" ("**Junior Note B2**") which was converted into a partly paid note with a maximum nominal value of €200 million (pool factor of 0.79) maturing in November 2052. It should be noted that the "Junior Note B1" subscribed in the previous transaction, in the context of the restructuring, was partially repaid and subsequently extinguished through a mark down procedure.

The portfolio subject to new securitisation, in line with previous transactions, consists of performing loans deriving from unsecured loans supported by MCC and SACE guarantees concluded with SMEs.

Recent Developments

Proposed Acquisition of Cassa di Risparmio di Orvieto

Following the competitive process launched and conducted in the last quarter of the 2024 financial year, on 27 January 2025, Banca del Fucino and Medio Credito Centrale – Banca del Mezzogiorno ("**MCC**") executed the preliminary share purchase agreement (the "**CRO SPA**") providing for the acquisition by Banca del Fucino of the controlling interest in Cassa di Risparmio di Orvieto ("**CRO**") held by MCC (equal to 85.3% of its share capital) (the "**Acquisition**").

The CRO SPA provided for a long-stop date for the fulfilment of the conditions precedent, which was extended on multiple occasions to allow for the completion of the relevant authorization procedures before the competent supervisory authorities.

On 29 May 2026 MCC published a press release publicly announcing that negotiations were ongoing for an extension of the deadline for the completion of the sale of its shares in CRO.

On 25 June 2026, notwithstanding that in its press release dated 29 May 2026, MCC had publicly acknowledged that negotiations for an extension were ongoing, MCC published a press release announcing that the long-stop date for the satisfaction of the relevant conditions precedent had lapsed and, accordingly, that the CRO SPA had terminated and was no longer effective. On the same date, the Issuer published its own press release taking note of MCC's unilateral decision to terminate the ongoing negotiations and stating that it reserves all rights to take such action as it deems appropriate to protect its rights arising from the foregoing before the competent authorities. As at the date of these Listing Particulars, no such actions are envisaged.

As of the date of these Listing Particulars, there are no ongoing negotiations between the Issuer and MCC regarding the acquisition of CRO, and no information is available as to whether such negotiations may resume in the future. Notwithstanding the foregoing, the Issuer confirms that it continues to have an interest in the potential acquisition of CRO, without prejudice to future strategic decisions that the Issuer may take in its sole discretion.

The termination of the CRO SPA is not expected to have any adverse consequences for the Issuer or the Group.

Disposal of Fucino Finance

In connection with the proposed disposal of the subsidiary Fucino Finance, the Issuer has received an expression of interest from a major banking institution subject to prudential supervision by the European Central Bank. The expression of interest is currently subject to due diligence, which is expected to be completed within approximately two months. The successful completion of the transaction would result in a reduction in risk-weighted assets (RWA) of over €140 million and a capital release benefit of approximately €3 million. This transaction would provide the Issuer with additional resources to support its organic growth and potential external growth opportunities.

Shareholders and Share Capital

Main shareholders

The following table shows the Issuer's shareholders who, as at the date of these Listing Particulars, directly or indirectly own shares of the Issuer equal to or greater than 5% of its share capital.

Shareholders	No. of shares held	Ownership interest
Fondazione ENPAM	15,167,363	9.6%
UPZ Investment S.r.l.	14,945,348	9.5%
SRI Global Limited	11,586,764	7.3%
Fondazione Monte di Lombardia	10,307,014	6.5%
Vulcano S.r.l.	8,426,615	5.3%
Finvacchi S.r.l.	8,275,249	5.2%

To the best of the Issuer's knowledge there are no operation which may at a subsequent date of the Listing Particulars result in a change of control of the Issuer.

Share capital

The Board of Directors - in compliance with article 5 of the corporate by-laws - executed the following share capital increase transactions:

(i) at the meeting held on 29 January 2024, a share capital increase of €1,535,951.90 was resolved upon, establishing a share premium reserve of €524,045.40;

(ii) at the meeting held on 22 February 2024, a share capital increase of €5,334,829.25 was resolved upon, establishing a share premium reserve of €1,820,169.45;

(iii) at the meeting held on 27 March 2024, a share capital increase of €6,749,323.36 was resolved upon, establishing a share premium reserve of €2,302,775.14;

(iv) at the meeting held on 23 May 2024, a share capital increase of €1,122,885.65 was resolved upon, establishing a share premium reserve of €383,122.95;

(v) at the meeting held on 27 February 2025, a share capital increase of €20,921,780.00 was resolved upon, establishing a share premium reserve of €9,578,220.00;

(vi) at the meeting held on 26 March 2025, a share capital increase of €6,859,600.00 was resolved upon, establishing a share premium reserve of €3,140,400.00;

(vii) at the meeting held on 31 March 2025, a share capital increase of €2,400,860.00 was resolved upon, establishing a share premium reserve of €1,099,140.00;

(viii) at the meeting held on 29 May 2025, a share capital increase of €1,725,189.40 was resolved upon, establishing a share premium reserve of €789,810.60;

(ix) at the meeting held on 9 July 2025, a share capital increase of €3,429,800.00 was resolved upon, establishing a share premium reserve of €1,570,200.00;

(x) at the meeting held on 30 October 2025, a share capital increase of €2,743,840.00 was resolved upon, establishing a share premium reserve of €1,256,160,00.

Due to the above-mentioned extraordinary operations, the Issuer's share capital amounted to €270,346,566.46 at 31 December 2025, divided into no. 157,645,889 shares without an indication of nominal value (art. 5.1 of the corporate by-laws).

On 11 May 2026, the Board of Directors resolved to carry out share capital increases, in one or more tranches, to support the Bank's organic development as well as potential external growth opportunities, including mergers and acquisitions. Any share capital increase shall remain subject to the prior authorisation of the competent supervisory authority and to the requisite corporate approvals.

Corporate Governance

Board of Directors

The current Board of Directors was elected at the shareholders' meeting of 6 May 2024 and will expire upon the approval of the financial statements for the year ending 31 December 2026.

The following table sets forth the names and positions of the current members of the Board of Directors. All members of the Board of Directors are domiciled for the purposes of their office at the Bank's registered office, Via Tomacelli 107, 00186 Rome.

Name	**Position**
Mauro Masi	Chairman
Gabriella Covino	Deputy Chairman
Domenico Pimpinella	Deputy Chairman
Francesco Maiolini	Chief Executive Officer
Fabio Scaccia	Director
Bernardino Lattarullo	Director
Susanna Levantesi	Director
Luigi Alio	Director
Giulio Gallazzi	Director
Luca Bergamotto	Director

Name	Position
Sonia Locantore	Director
Francesca Brunori	Director

Summarised below are the primary roles, responsibilities and professional positions currently held by the members of the Board of Directors in office as of the date of these Listing Particulars:

- Mauro Masi
  - Chairman of the Board of Directors of Banca del Fucino
  - Former General Manager of RAI S.p.A. (2009-11) and CEO / Chairman of Consap S.p.A

- Francesco Maiolini
  - CEO of Banca del Fucino S.p.A.
  - Board member of ABI (Associazione Bancaria Italiana)
  - Former Vice-Chairman of Igea Digital Bank S.p.A. (2019-22) and General Manager of Banca del Fucino S.p.A.

- Domenico Pimpinella
  - Member of the Board of Directors of Banca del Fucino and member of the Independent Directors Committee
  - General Manager of the ENPAM Foundation (National Welfare Institution for Doctors and Dentists)

- Gabriella Covino – Member of the Board of Directors of Banca del Fucino
  - Statutory Auditor at GEOX S.p.A.
  - Lawyer at the law firm GOP, focusing on mergers and acquisitions, corporate law, commercial law and joint ventures. Since 2004, she has also been a partner and Co-Head of the firm's Restructuring Department.

- Susanna Levantesi – Member of the Board of Directors of Banca del Fucino
  - Associate Professor of Mathematical Methods for Economics and Actuarial and Financial Sciences at the Faculty of Information Engineering, Computer Science and Statistics of Sapienza University of Rome
  - Continuous and significant professional activity as an actuary, in matters relating to the credit, financial, securities and insurance sectors

- Sonia Locantore – Member of the Board of Directors of Banca del Fucino and member of the Independent Directors Committee
  - Lawyer at Lener & Partner law firm (Rome), specializing in banking and financial markets law as well as corporate law
  - Member of the Board of Directors of Natissa S.p.A., serving as Independent Director and internal point of reference for the Risk Management function
  - Member of the Board of Directors of Fucino Finance S.p.A., serving as Independent Director and ESG representative
  - External member of the Management and Regulatory Committee for Banks and Financial Institutions of ODEC

- Luigi Alio – Member of the Board of Directors of Banca del Fucino
  - Surgeon specialized in Gynecology and Obstetrics

- Luca Bergamotto – Member of the Board of Directors of Banca del Fucino
  - Chairman of the Board of Directors of Newstown Editoria
  - Vice Chairman of the Board of Directors of Società Agricola Caeagro Srl
  - Sole Director of Berti 1 Srl Costruzioni
  - Sole Director of Coim Srl
  - Editor-in-Chief of Abruzzia Srl Telecommunications

- Francesca Brunori – Member of the Board of Directors of Banca del Fucino
  - Director of the Credit and Finance Department at Confindustria
  - Member of the Management Board of the SME Guarantee Fund
  - Member of the Board of Directors of Previndai Pension Fund
  - Member of the Board of Directors of Banca Akros S.p.A.
  - Chair of the Financial Affairs Working Group at Business Europe

- Chair of the Concessions Committee at Mediocredito Centrale S.p.A.

- Giulio Gallazzi – Member of the Board of Directors of Banca del Fucino
  - Member of the Board of Directors of MFA NV (Mediaset Group)
  - Member of the Board of Directors of Boato International
  - President/CEO of SRI Global Limited and its subsidiaries: GSVF S.r.l.; SRI Group Italia S.r.l.; Fintech Partners S.r.l.; Project High Tech S.r.l.; Sitalberghi S.r.l.; Bros Investment S.r.l.; Costa Clinic S.r.l.; Bologna Sport Centers S.r.l.
  - Sole Director of Social Housing Italia S.r.l., operating in the real estate development sector
  - CEO of GM Sport Venture S.r.l.
  - Sole Director of Alcione Milano SSD a r.l., an amateur sports company
  - CEO of Blenheim Capital Real Estate, operating in the real estate sector
  - Director of Incitatus S.r.l., active in the real estate sector
  - Chairman of the Board of Directors of: NOB 4.0 Società Benefit and Bike Economy Partners S.r.l.
  - Representative of the Managing Company of VMS Vintage Market Selection S.a.s., active in the real estate leasing sector

- Bernardino Lattarulo – Member of the Board of Directors of Banca del Fucino
  - Professional consultant in technical-agronomic, environmental and appraisal matters
  - Member of the Management Committee of the Separate Administration for Agricultural Experts at Enpaia

- Fabio Scaccia – Member of the Board of Directors of Banca del Fucino
  - Sole Director of Farmitalia Industria Chimico Farmaceutica
  - Sole Director of Farmaxial Nutraceutical Manufacturing Services

Board of Statutory Auditors

Each member of the Board of Statutory Auditors is appointed by the shareholders. The board is composed of three regular auditors, one of whom is appointed as chairman, and two alternate auditors. The members of the Board of Statutory Auditors were appointed by the shareholders' meeting of 6 May 2024 and will remain in office until the approval of the financial statements for the year ending 31 December 2026.

The Board of Statutory Auditors supervises:

- compliance with the law and the articles of association;
- observance of the principles of proper administration;
- the appropriateness of the organisational, administrative and accounting structure adopted by the Company and its concrete functioning;
- adequacy and functionality of the Issuer's internal audit system;
- exercise of management and coordination by the Issuer; and
- other records and actions specified by the law.

The Board of Statutory Auditors ascertains the adequate coordination of all the functions and structures involved in the Internal Audit System, including the Independent Auditors in charge of the audit, promoting, if necessary, the appropriate corrective measures.

The following table sets forth the names and positions of the current members of the Board of Statutory Auditors. All members of the Board of Statutory Auditors are domiciled for the purposes of their office at the Bank's registered office, Via Tomacelli 107, 00186 Rome.

Name	**Position**
Valeria Conti	Chairman

Name	**Position**
Gianluca Piredda	Standing Auditor
Eugenio D'Amico	Standing Auditor
Fernando Silvestri	Alternate Auditor
Lucia Pierini	Alternate Auditor

Summarised below are the primary roles, responsibilities and professional positions currently held by the members of the Board of Statutory Auditors in office as of the date of these Listing Particulars:

- Valeria Conti – Chair of the Board of Statutory Auditors of Banca del Fucino
  - Chartered Accountant and Statutory Auditor
  - Member of the Board of Statutory Auditors of Maggioli S.p.A. and its subsidiaries
  - Independent Director of Salcef Group S.p.A.

- Eugenio D'Amico – Statutory Auditor of Banca del Fucino
  - Chartered Accountant and Statutory Auditor
  - Full Professor of Business Economics at Roma Tre University
  - Provides corporate consulting services, including business valuations, preparation of economic-financial plans, extraordinary transactions and accounting activities in the public and private sectors, also within judicial proceedings. Experienced in arbitration (both formal and informal) as Sole Arbitrator, Party-Appointed Arbitrator, Chair of the Arbitration Panel, as well as Technical Expert
  - Member of the Board of Statutory Auditors and Statutory Auditor at Fondo Sanità
  - Chair of the Supervisory Body at ATAC S.p.A.
  - Chair of the Board of Statutory Auditors at Helon S.p.A.
  - Member of the Board of Statutory Auditors at Main Capital Sgr S.p.A.
  - Member of the Independent Evaluation Body at CONI
  - Independent member of the Board of Directors of Innovatec S.p.A. and Chair of the Risk and Audit Committee
  - Chair of the Board of Statutory Auditors of TECMA Solutions S.p.A. (Real Estate Business Innovation)
  - Chair of the Board of Statutory Auditors of ENPAM (National Welfare Institution for Doctors and Dentists)
  - Member of the Board of Statutory Auditors of ASTRI (Pension Fund for the Motorways and Transport Sector)
  - Member of the Board of Directors of BCC Colli Albani, entrusted with Risk and Audit responsibilities and serving as Vice Chairman
  - Member of the Board of Directors / Governance representative of Fondazione Santa Lucia IRCCS
  - Member of the Board of Directors of Desco S.p.A.
  - Chair of the Management and Regulatory Committee for Credit and Financial Institutions at the Rome Association of Chartered Accountants

- Gianluca Piredda – Statutory Auditor of Banca del Fucino
  - Chartered Accountant and Statutory Auditor
  - Statutory Auditor of Banca Nazionale per l'Ambiente e per l'Energia (BIAE)
  - Statutory Auditor at Eni Natural Energies
  - Sole Director of Piredda & Partners
  - Liquidator of Oleificio Cooperativo Fondiaria Paladino

- Fernando Silvestri– Alternate Auditor of Banca del Fucino
  - Independent member of the Board of Directors of Compagnia Mediterranea di Armamento S.r.l.
  - Statutory Auditor of UNITAS Società Immobiliare Italiana
  - Member of the Board of Statutory Auditors of Federazione Italiana Cronometristi
  - Member of the Board of Statutory Auditors of Circolo Canottieri Aniene

- Lucia Pierini – Alternate Auditor of Banca del Fucino
  - Statutory Auditor of GGM S.p.A.
  - Statutory Auditor of GBO S.p.A.
  - Statutory Auditor of Lottomatica Videolot Rete S.p.A

- Statutory Auditor of BETFLAG S.p.A.
- Statutory Auditor of PWO S.p.A.
- Statutory Auditor of BIG EASY S.r.l.
- Statutory Auditor of CCS JV S.C.A.R.L.
- Statutory Auditor of SAIPEM OFFCHORE CONSTRUCTION S.p.A.
- Statutory Auditor of LUMEN VENTURES S.p.A.
- Statutory Auditor of UNICORN PAYMENTS S.R.L.
- Statutory Auditor of TORRE SGR S.p.A.
- Statutory Auditor of LARIMART S.p.A.
- Statutory Auditor of LITO-SUD S.RL.
- Statutory Auditor of DV HOLDING S.p.A.

Conflicts of interest

To the best of the Issuer's knowledge no potential conflicts of interest exist between any duties to the Issuer of the members of the administrative, management and supervisory bodies listed above and their private interests or other duties.

The Issuer and its corporate bodies have adopted internal measures and procedures to ensure compliance with the relevant regulation on board members' conflicts of interest.

Independent Auditors

The shareholders' meeting of 6 May 2024 appointed PricewaterhouseCoopers S.p.A. as independent auditor of the Issuer from 2024 to 2032.

The Internal Control System

The set of corporate risks is managed within a structured organizational model that integrates methodologies and control mechanisms at different levels, all converging toward the objectives of ensuring the efficiency and effectiveness of operating processes, safeguarding the integrity of corporate assets, protecting against losses, ensuring the reliability and integrity of information, and verifying that activities are carried out in compliance with both internal and external regulations (the "**Internal Control System**").

The Internal Control System plays a central role in the corporate organization:

- it represents a fundamental source of knowledge for corporate bodies, ensuring full awareness of the company's situation and effective oversight of corporate risks and their interrelations;
- it guides changes in strategic lines and corporate policies, allowing the organizational framework to be adjusted consistently;
- it oversees the proper functioning of management systems and compliance with prudential supervisory regulations; and
- it fosters the dissemination of a sound risk culture, compliance, and corporate values.

To achieve these objectives, the Internal Control System must generally:

- ensure the completeness, adequacy, functionality (in terms of efficiency and effectiveness), and reliability of the risk management process, as well as its consistency with the RAF (Risk Appetite Framework);
- provide for widespread control activities across every operational segment and hierarchical level;
- ensure that any anomalies identified are promptly reported to the appropriate levels within the company (to corporate bodies, if significant), and be capable of promptly initiating appropriate corrective actions; and
- incorporate specific procedures to address potential breaches of operational limits.

Within this context, the Igea Banca Banking Group, through its risk analysis approach by process, aims to clearly identify the control activities to be implemented, strengthened, or maintained in order to ensure the proper and efficient management of internal processes and activities. The main objective is to identify the controls deemed truly necessary, applying a "risk-based approach," rationalizing internal safeguards, and consequently guiding auditing activities. For each identified risk, control techniques are defined which, if properly applied, should minimize—or at least reduce to acceptable limits—the impact resulting from the occurrence of such risk.

The organization of the Internal Control System of the Igea Banca Banking Group is based on the following principles:

- control responsibilities spread across all levels of the organization;
- clear and unambiguous identification of tasks and responsibilities;
- separation of risk control functions;
- exhaustiveness and traceability of controls;
- proportionality of controls in relation to risk exposure; and
- adequate internal reporting.

These controls must be identified with the aim of mitigating the risks inherent in operational processes, both at branch and head office level, thereby ensuring the proper conduct of corporate operations.

The overall system of controls over operational processes involves, with different roles, the body with strategic supervision functions, the body with management functions, the body with control functions, the Governance Committees, and all staff of the Group, constituting an integral part of day-to-day activities.

With the issuance of the 40th update to Circular 285/2013, the Bank of Italy adopted the guidelines set out by the EBA in GL 2019/04, requiring banks to establish a "Second-Level Control Function" (ICT & Security Risk Management) responsible for the management and oversight of ICT and security risks.

To this end, the ICT & Security Risk Control Function:

- contributes to the definition of the information security policy and is informed of any activity or event that significantly affects the bank's risk profile, major operational or security incidents, as well as any material changes to ICT systems and processes; and
- is actively involved in projects involving material changes to the information system, particularly the risk control processes related to such projects.

Throughout the 2024 financial year, the Bank opted for the outsourcing - while appointing a specific internal representative for the outsourced function - of the new ICT & Security Risk Control Function to a specialized company. Starting from January 2025, the Board of Directors, on the basis of the considerations set out in the *"Report on the adjustments to the 40th update of Circular 285/13"* already submitted to the Bank of Italy on the possibility of maintaining such a model or gradually internalizing the activities and related responsibilities, deemed it appropriate - by resolution of 10 January 2025 - to proceed with the internalization of the ICT & Security Risk Management Function, in line with the strengthening of in-house specialist expertise already underway.

In light of the size and type of activities carried out by the Group, the current Internal Control System architecture provides for:

- the retention within the Group of third-level control functions (Internal Audit) and second-level control functions (Risk Management, Compliance, ICT & Security Risk Management, and Anti-Money Laundering);
- the centralization of second- and third-level control functions at the parent company, with recourse to intra-group outsourcing;
- the placement of second- and third-level control functions under the direct responsibility of the body with strategic supervision functions;
- the appointment, within those Group companies which, in the parent company's judgment, assume risks considered material for the Group as a whole, of dedicated representatives who:
    - provide support to the outsourced corporate control function at the parent company;

- report to the Board of Directors of the subsidiary while functionally reporting to the Head of the relevant corporate control function of the parent company;
- promptly notify the Head of the relevant parent company control function of any events or specific situations that may affect the risks generated by the subsidiary;
- may be located either at the subsidiary or at the parent company headquarters;

- the establishment at the parent company of a Risk Committee supporting the Board of Directors in matters relating to the management and control of Group risks.

To ensure the proper conduct of corporate operations, the internal control structure is therefore organized into the following three levels:

- line controls;
- risk management and compliance controls; and
- internal audit activities.

Under the applicable external regulatory framework, “line controls” (so-called “first-level controls”) are defined as safeguards aimed at ensuring the proper conduct of operations.

First-level controls are carried out by the operating units themselves (e.g., hierarchical, systematic, and sample-based checks), including through units dedicated exclusively to control tasks that report to the “Heads” of the operating units, or are performed within the back office; where possible, such controls are embedded in IT procedures.

Operating units are the primary owners of the risk management process: in the course of day-to-day operations, they must identify, measure or assess, monitor, mitigate, and report the risks arising from ordinary business activities in accordance with the risk management process; they must ensure compliance with the established risk tolerance level and with the procedures that constitute the risk management process.

The articulation of line controls is aimed at:

- ensuring clear accountability of the individuals involved;
- correctly and fully identifying the necessary control safeguards to be adopted; and
- developing and enhancing a synergistic model of relationships and operations (both methodological and organizational) among the various control owners involved.

Line controls are governed by internal regulations (Regulations, Manuals, etc.), which identify specific tasks and responsibilities in this area.

Risk management and compliance controls (so-called “second-level controls”) are aimed, among other things, at ensuring the proper implementation of the risk management process, compliance with the operating limits assigned to the various Functions, and the conformity of the Bank’s operations with applicable regulations, including self-regulatory provisions.

The Functions responsible for such controls are separate from the business/production units; they contribute to defining risk governance policies and the operational processes of risk management.

Internal audit activities (so-called “third-level controls”) are designed to detect anomalies, breaches of procedures and regulations, as well as to periodically assess the completeness, functionality, adequacy (in terms of efficiency and effectiveness), and reliability of the internal control system. This activity also aims to bring potential improvements to the attention of the corporate bodies, with particular reference to risk governance policies, risk management operational processes, and the related measurement and control tools.

These levels of control (line controls, risk management and compliance controls, and internal audit) constitute a single integrated system, carried out by different Functions but characterized by complementarity in their objectives, structure, and operating rules.

Of particular importance is the link between risk management and compliance control Functions and the internal audit Function, which must share an integrated view of the entire corporate activity, capturing - through shared and complementary assessment approaches - the issues related to the proper oversight of corporate risks and the effective and efficient functioning of the "operating machine," in light of developments in both the external and internal environment.

With a view to integration and coordination within the Internal Control System, and with the primary objective of defining and developing - according to risk-based approaches - risk assessment methodologies and tools as well as integrated reporting for second- and third-level controls, common methodologies and tools have been developed among the Control Functions. Specifically, methodological guidelines have been defined and implemented - with the support of a leading consultancy firm - for:

- conducting an "Integrated Risk Assessment" process, aimed at identifying and assessing the main risks to which the Group is or could be exposed, whose occurrence could compromise the achievement of the strategic objectives set;
- preparing the "Integrated *Tableau de Bord*", as a reporting tool containing an overview of the activities carried out by the Control Functions and their related outcomes; and
- preparing the "Integrated Master Plan", as a monitoring and reporting tool on the status of resolution of the critical issues identified in the control activities.

Regulatory framework

The Issuer is subject to complex and strict banking and financial services law and regulation, as well as to the supervisory activity performed by the relevant institutions, such as the Bank of Italy and CONSOB.

Below is a summary of the most relevant Italian and European regulations to which the Issuer is subject.

Basel III and the CRD IV Package

The Issuer must comply with the revised global regulatory standards ("**Basel III**") on bank capital adequacy and liquidity, which impose requirements for, among other things, higher and better quality capital, better risk coverage, measures to promote the build-up of capital that can be drawn down in periods of stress and the introduction of a leverage ratio as a backstop to the risk-based requirement as well as two global liquidity standards, in terms of banking prudential regulations.

The Basel III framework has been implemented in the European Union through new banking requirements: Directive 2013/36/EU of the European Parliament and the European Council on 26 June 2013 which relates to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD IV**"), and Regulation (EU) No. 575/2013 of the European Parliament and the European Council on 26 June 2013 which relates to prudential requirements for credit institution and investment firms (the "**CRR**" and together with the CRD IV, the "**CRD IV Package**"), subsequently updated and supplemented, *inter alia*, with the Directive (EU) 2019/878 (the "**CRD V**") and Regulation (EU) 2019/876 (the "**CRR II**" and, together with the CRD V, the "**EU Banking Package**") and Directive (EU) 2024/1619 (the "**CRD VI**") and Regulation (EU) 2024/1623 (the "**CRR III**"). The EU Banking Package includes: (i) the CRR II amending the CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements; and (ii) the CRD V amending the CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures. The revisions better align the current regulatory framework to international developments in order to promote consistency and comparability among jurisdictions. Such measures entered into force on 27 June 2019, while: a) the CRR II is applicable from 28 June 2021, excluding some provisions with a different date of application (early or subsequent); and b) the CRD V was implemented in Italy by Legislative Decree No. 182/2021. Legislative Decree No. 182/2021 introduced measures dealing with, among others, the following: (i) bank's qualifying holdings authorisation procedures; (ii) Relevant Authorities' powers to impose additional own funds' requirements; (iii) authorisation regime applicable to financial holding companies and mixed financial holding companies; and (iv) regime governing the banking groups and introduction of the status of "intermediate EU parent". The CRD IV and CRR, as amended by the EU Banking Package, are also supplemented by technical standards published through delegated regulations of the European Commission and guidelines of the European Banking Authority ("**EBA**").

National options and discretions under the CRD IV Package, as amended by the EU Banking Package, are exercised by the Single Supervisory Mechanism ("**SSM**") in a largely harmonised manner throughout the European banking union.

On 13 April 2017, the ECB published a guideline, last amended in March 2022, and a recommendation addressed to national Relevant Authorities ("**NCAs**") concerning the exercise of options and national discretions available in European Union law that affect banks (as the Issuer) which are directly supervised by NCAs (*i.e.*, less significant institutions). The aim of the guideline is to ensure a level playing field and the smooth functioning of the euro area banking system as a whole.

On 8 November 2024, the ECB launched a public consultation on its revised policies for applying options and discretions available in the European Union law (available at: https://www.bankingsupervision.europa.eu/framework/legal-framework/public-consultations/html/OND_202411.en.html). The consultation ended on 24 January 2025 and on 25 July 2025 the ECB published the final version. Most of the changes proposed by the ECB are needed because of legislative changes introduced by CRR III and CRD VI. In addition, the ECB is also proposing to introduce some changes to its recommendation addressed to NCAs to reflect other legislative changes introduced since the last review in 2021 and to further clarify how the ECB exercises certain options and national discretions in practice. Depending on the manner in which options/discretions are exercised by NCAs and the SSM, additional/lower capital requirements may result.

The Bank of Italy published the supervisory regulations on banks in December 2013 (Circular No. 285) which came into force on 1 January 2014 and which has been amended over time in order to implement, *inter alia*, the CRD IV Package, as lastly amended by the EU Banking Package, and set out additional local prudential rules concerning matters not harmonised at EU level.

Capital Requirements

According to Article 92 of the CRR, institutions shall at all times satisfy the following own funds requirements: (i) a Common Equity Tier 1 ("**CET1**") Capital ratio of 4.5%; (ii) a Tier 1 Capital ratio of 6%; (iii) a Total Capital ratio of 8%; and (iv) a leverage ratio of 3% These minimum ratios are complemented by the following capital buffers to be met with CET1 Capital:

- *Capital conservation buffer*: set at 2.5% from 1 January 2019 (pursuant to article 129 of the CRD IV and Part I, Title II, Chapter I, Section II of Circular No. 285);

- *Counter-cyclical capital buffer* ("**CcyB**"): set by the Relevant Authority between 0% and 2.5% of credit risk exposures towards counterparties of each of the home Member State, other Member States and third countries (but may be set higher than 2.5% where the Relevant Authority considers that the conditions in the Member State justify this), with gradual introduction from 1 January 2016 and applying temporarily in the periods when the relevant national authorities judge the credit growth excessive (pursuant to Article 130 of the CRD IV and Part I, Title II, Chapter I, Section III of Circular No. 285). The Bank of Italy has set, and decided to maintain, the CcyB (relating to exposures towards Italian counterparties) at 0% for the second quarter of 2026. The specific counter-cyclical capital rate of the Issuer amounted to 0%;

- *Capital buffers for globally systemically important banks* ("**G-SIBs**"): set as an "additional loss absorbency" buffer varying depending on the sub-categories on which the globally systemically important institutions ("**G-SIIs**") are divided into. The lowest sub-category shall be assigned a G-SII buffer of 1 % of the total risk exposure amount calculated in accordance with Article 92(3) of the CRR, as amended by CRR II, and the buffer assigned to each sub-category shall increase in gradients of at least 0.5% of the total risk exposure amount calculated in accordance with Article 92(3) of the CRR, as amended by CRR II. G-SIBs are determined according to specific indicators (size, interconnectedness, lack of substitutes for the services provided, global cross-border activity and complexity) and, being phased in from 1 January 2016 (pursuant to Article 131 of the CRD IV and Part I, Title II, Chapter I, Section IV of Circular No. 285), became fully effective on 1 January 2019. Based on the most recently updated list of G-SIIs published by the Financial Stability Board ("**FSB**") on 27 November 2025 (updated annually), the Issuer is not a G-SIB and does not need to comply with a G-SII capital buffer requirement; and

- *Capital buffers for other systemically important institutions at domestic level* ("**O-SIIs**"): up to 3.0% as set by the Relevant Authority (and must be reviewed at least annually), to compensate for the higher risk that such banks represent to the domestic financial system (Article 131 of the CRD IV and Part I, Title II, Chapter I, Section IV of Circular No. 285). The Bank of Italy has not identified the Issuer as an O-SII and the Issuer does not need to comply with an O-SII capital buffer requirement.

- In addition to the above capital buffers, under Article 133 of CRD V, European Member States may introduce a systemic risk buffer of CET1 Capital in order to prevent and mitigate macroprudential or systemic risk not covered by the CRD IV Package. With update No. 38 of 22 February 2022, the Circular No. 285 was amended in order to provide, *inter alia*, the introduction of:

  (i) the possibility for the Bank of Italy to activate the systemic risk buffer ("**SyRB**") for banks and banking groups authorised in Italy. In particular, the requirement to maintain a systemic risk buffer of CET1 is intended to prevent and mitigate macro-prudential or systemic risks not otherwise covered with the macroprudential instruments provided for by the CRR, the anti-cyclical capital buffer and the capital buffers for G-SII and for O-SII. The buffer ratio for systemic risk can be applied to all exposures or to a subset of exposures and to all banks or to one or more subsets of banks with similar risk profiles; and

  (ii) some macro-prudential instruments based on the characteristics of customers or loans (so-called "borrower-based measures"). Specifically, these are measures that are not harmonised at the European level, which can be used to counter systemic risks deriving from developments in the real estate market and from high or rising levels of household and non-financial corporate debt.

On 24 April 2026, the Bank of Italy has reconfirmed the application to all licensed banks in Italy a SyRB equal to 1.0% of credit and counterparty risk-weighted exposures to residents in Italy.

Failure by an institution to comply with the buffer requirements may trigger restrictions on distributions by reference to the so-called maximum distributable amounts and the need for the bank to adopt a capital conservation plan and take remedial action (Articles 141 and 142 of the CRD IV and Part I, Title II, Chapter I, Section VI of Circular No. 285).

In addition, the Issuer is subject to the Pillar 2 requirement ("**Pillar 2 Requirement**"). The Pillar 2 Requirement must be fulfilled with at least 56.25% CET1 Capital and at least 75% Tier 1 capital. Relevant Authority may require that the institution fulfils its additional own funds requirement with a higher portion of Tier 1 Capital or CET1 Capital where necessary (while having regard to specific circumstances of the relevant institution).

The CRD V also introduces a so-called "guidance on additional own funds" requirement (the "**Pillar 2 Guidance**"), which sets a level and quality of capital the relevant credit institution is expected to hold in excess of its overall capital requirement. The Pillar 2 Guidance will be based on expectations of Relevant Authorities for each institution to hold capital in excess of its capital requirements (Pillar 1 and Pillar 2) and combined buffer requirement in order to address forward-looking and remote situations. A failure to meet the Pillar 2 Guidance does not trigger automatic restrictions on distributions provided for in Articles 141 to 141b of the CRD IV or Article 16a of the Bank Recovery and Resolution Directive 2014/59/EU of 15 May 2014. However, where an institution repeatedly fails to meet the Pillar 2 Guidance, the Relevant Authority is entitled to take supervisory measures and, where appropriate, impose additional own funds requirements.

With update no. 39 of 13 July 2022, the Circular No. 285 was amended in order to fully transpose into the Italian secondary level legislation the provisions laid down by CRD V as to the Pillar 2 Requirements and Pillar 2 Guidance. In particular, the amendments introduced to Part I, Chapter 1, Title III of the Circular 285 provide, *inter alia*, the introduction of: (i) a clear differentiation between components of the Pillar 2 Requirement estimated from an ordinary perspective and the Pillar 2 Guidance determined from a stressed perspective which supervisory authorities may require banks to hold; and (ii) the possibility for supervisory authorities to include additional own funds in case of excessive leverage risk, under both ordinary and stressed conditions.

According to EBA's guidelines to national supervisors on common procedures and methodologies for the supervisory review and evaluation process ("**SREP**") and supervisory stress testing (the "**SREP Guidelines**"), as most recently updated on 18 March 2022, Relevant Authorities may, on the basis of the vulnerabilities and deficiencies identified in the SREP assessment, among other things, restrict or prohibit distributions or interest payments by a credit institution to members or holders of its Additional Tier 1 Capital instruments, as provided by Article 104 (1 (i)) of the CRD IV. Accordingly, the additional Pillar 2 Requirement that may be imposed on the Issuer by the Bank of Italy pursuant to the SREP will require the Issuer to hold capital levels above the Pillar 1 requirement.

Following the results of the last SREP performed by the Bank of Italy, according to the current Capital Guidance the Issuer is required to meet on a consolidated basis both a minimum CET1 Ratio of 8.20%, a minimum Tier1 Ratio of 10.20% and a minimum Total Capital Ratio of 12.70%.

These Overall Capital Requirements include both the Total SREP Capital Requirements (TSCR – sum of the minimum capital requirements and the Pillar 2 Requirements) and the Capital Conservation Buffer (2.50%). The Overall Capital Requirement in terms of CET 1 ratio, that amount at 8.20%, is the sum of the minimum capital requirement set out under the CRR (4.5%), the Pillar 2 Requirement (1.20%) and the Capital Conservation Buffer (2.50%). The latter must be added with the Systemic Risk Buffer, which has been set by the Bank of Italy at 1% of risk-weighted credit and counterparty exposures to Italian residents with an impact on the Group capital requirements of 73 bps as at 31 December 2025.

Furthermore, in order to ensure that the Group is able to meet the minimum capital requirements under stress scenarios, the Bank of Italy set a Target Component (Pillar 2 Guidance – "P2G") at 4.5%, effective on each capital ratio.

As part of the CRD IV Package transitional arrangements, as implemented by Circular No. 285, regulatory capital recognition of outstanding instruments, which qualified as Tier 1 and Tier 2 capital instruments under the framework which the CRD IV Package has replaced, have been gradually phased out.

The CRD IV Package also introduced the LCR. This is a stress liquidity measure based on modelled 30-day outflows. Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 supplementing the CRR with regard to liquidity coverage requirement for credit institutions (the "**LCR Delegated Act**") was adopted in October 2014 and published in the Official Journal of the European Union in January 2015. On 20 May 2022, amendments to the LCR Delegated Act were published in the Official Journal (Commission Delegated Regulation (EU) 2022/786 of 10 February 2022) and has applied as of July 2022. Most of these amendments have been introduced to better allow the credit institutions issuing covered bonds to comply, on one hand, with the general liquidity coverage requirement for a 30-calendar day stress period and, on the other hand, with the cover pool liquidity buffer requirement, as laid down by Directive (EU) 2019/2162 of the European Parliament and of the Council. Most of these amendments are related to the entry into force of the new securitisation framework on 1 January 2019. The net stable funding ratio ("**NSFR**") is part of the Basel III framework and aims to promote resilience over a longer time horizon (one year) by creating incentives for banks to fund their activities with more stable sources of funding on an ongoing basis. The NSFR has been introduced as a requirement in the CRR II published in June 2019 and is applicable from June 2021.

The CRD IV Package also introduced a new leverage ratio with the aim of restricting the level of leverage that an institution can take on to ensure that its assets are in line with its capital. The Leverage Ratio Delegated Regulation (EU) 2015/62 was adopted on 10 October 2014 and was published in the Official Journal of the European Union in January 2015, amending the calculation of the leverage Ratio compared to the current text of the CRD IV Regulation.

The CRR II introduced a binding leverage ratio requirement, as a backstop to risk-weighted capital requirements and set at 3 per cent. of an institution's Tier 1 capital according to which is required to maintain a minimum leverage ratio of 3% ("**Leverage Ratio**").

Furthermore, the Bank of Italy expect that the Group continuously maintain an overall level of the indicator equal to 3.5%, composed of a Total SREP Leverage Ratio Requirement ("TSLRR") of 3% and a Target Component ("P2G-LR"), against an increased risk exposure under stress scenarios of 0.5%.

ECB Single Supervisory Mechanism

On 15 October 2013, the Council of the European Union adopted Regulation (EU) No. 1024/2013 establishing a SSM for all banks in the euro area which have, beginning in November 2014, given the ECB, in conjunction with the NCAs of the Eurozone states, direct supervisory responsibility over "significant credit institutions" in the Banking Union. NCAs (for Italy, the Bank of Italy) continue to directly supervise banks (as the Issuer) which are less significant institutions or "LSIs". The SSM framework regulation (Regulation (EU) No. 468/2014 of the ECB), setting out the practical arrangements for the SSM, was published in April 2014 and entered into force in May 2014.

Banks directly supervised by the ECB include any Eurozone bank that: (i) has assets greater than €30 billion or – unless the total value of its assets is below €5 billion – greater than 20% of national gross domestic product; (ii) is one of the three most significant credit institutions established in a Member State; (iii) has requested, or is a recipient of, direct assistance from the European Financial Stability Facility or the European Stability Mechanism; and (iv) is considered by the ECB to be of significant relevance where it has established banking subsidiaries in more than one participating Member State and its cross-border assets/liabilities represent a significant part of its total assets/liabilities. Irrespective to the fulfilment of these criteria, the ECB, on its own initiative after consulting with NCAs or upon request by NCAs, may declare an institution significant to ensure the consistent application of high-quality supervisory standard. At the date thereof, the Issuer is qualified as a less significant institution directly supervised by the Bank of Italy.

Also with reference to a less significant institution, the ECB is exclusively responsible to, *inter alia*: (i) authorise and withdraw the banking licence; and (ii) assess acquisition of a bank's qualifying holdings. In order to foster consistency and efficiency of supervisory practices across the EU, the EBA Single Rulebook seeks to provide a single text of harmonised prudential rules which institutions throughout the EU must respect.

The CRD Reform Package

In December 2017, the Basel Committee on banking supervision ("**BCBS**") published its final set of amendments to the Basel III framework (known as "**Basel IV**"), introducing a range of measures, including:

- changes to the standardised approach for the calculation of credit risk;
- limitations to the use of Internal Ratings-Based ("**IRB**") approaches; mainly banks will be allowed to use the foundation IRB approach and the standardised approach with the advanced IRB approach still to be used for specialised lending;
- a new framework for determining an institution's operational risk charge, which will be calculated only by using a new standardised approach;
- an amended set of rules in relation to credit valuation adjustment; and
- an aggregate output capital floor that ensures that an institution's total risk weighted assets generated by IRB models are no lower than 72.5% of those generated by the standardised approach.

While the Basel IV standards were set to be implemented starting from January 2022, in response to the COVID-19 crisis, the BCBS decided in March 2020 to postpone the implementation deadline by one year to 1 January 2025, followed by a five-year phasing-in period of certain elements of the reform.

On 19 June 2024, Directive (EU) 1619/2024 of the European Parliament and Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks ("**CRD VI**") and Regulation (EU) 1623/2024 of the European Parliament and Council of 31 May 2024 amending Regulation (EU) 2013/575 as regards requirements for credit risks, credit valuation, adjustment risk, operational risk and the output floor ("**CRR III**") were published in the Official Journal of the European Union and entered into force on 9 July 2024. Save for certain exemptions, most of the provisions set forth in CRR III apply from 1 January 2025, while the domestic acts and regulations enacted by the Member States to implement the changes brought by CRD VI shall become effective on 11 January 2026. On 31 October 2024, the Delegated Regulation (EU) 2024/2795 amending the CRR in relation to the market risk requirement was published in the Official Journal of the European Union and postponed the date of application of the *Fundamental Review of the Trading Book* to 1 January 2026. Subsequently, on 19 September 2025, the Delegated Regulation (EU) 2025/1496 as published in the Official Journal of the European Union, postponing by one additional year – until 1 January 2027 – the date of the application of the Fundamental Trading Review Book. Until then, the current market risk requirements, including the calculation of own funds requirements for market risk, market risk reporting and disclosure requirements, remain applicable.

The main changes introduced by CRD VI and CRR III relate to:

- the introduction of the output floor to reduce the excess variability of banks' capital requirements calculated with internal models. Notably, the output floor works as a lower limit ("floor") on the capital requirements ("output") the banks calculate when using their internal models. The output floor aims at enhancing the confidence in risk-based capital requirements and to improve the solidity of banks that make use of internal models, making capital requirements more comparable across banks;

- implementation of the Basel III agreement to strengthen Union banks' resilience face at the main risk areas (credit risk, market risk and operational risk);
- Environmental, Social and Governance ("**ESG**") risk. Under the newly introduced banking package, banks would need to draw up transition plans under the prudential framework that will need to be consistent with the sustainability commitments banks undertake under other pieces of Union laws, such as the Corporate Sustainability Reporting Directive. Relevant Authorities will oversee how banks handle ESG risks and include ESG considerations in the context of the annual supervisory examination review (*i.e.*, SREP);
- strengthened supervision. The supervisory powers and tools have been increased and further harmonized. Notably, supervisors will be given more powers to check if certain transactions (*e.g.*, large acquisitions) undertaken by banks are sound and do not entail excessive risks for banks; and
- clear rules for third-country banks operating in the European Union. The CRD VI will introduce minimum harmonising conditions on the establishment of third-country banks in the EU.

Once CRD VI and CRR III are fully implemented and transposed in the European Union, the regulatory changes brought by these pieces of legislation will impact on the entire banking system and consequently could determine changes in the capital calculation and capital requirements, which at the date of these Listing Particulars cannot be entirely quantified. These regulatory changes will impact on the entire banking system and could determine changes in the capital calculation and increase capital requirements. However, as of the date of these Listing Particulars, the Banking Reform Package must still be completely implemented as, while the CRR III came into effect on January 2025, the CRD VI must still be transposed by some EU Member States, and it is not yet clear how and to what extent this legislative proposal may impact on the operations of the Issuer and/or the Group.

The EBA has been conducting regular and ad-hoc quantitative impact studies to assess or monitor the impact of various rules on the EU banking sector. Regular monitoring exercise includes also a monitoring exercise to assess the impact of the Basel III framework on a sample of EU banks that the EBA conducts in coordination and in parallel with the BCBS. This exercise assesses the impact of the latest regulatory developments at the BCBS level in the following area: (a) global regulatory framework for more resilient banks and banking systems; (b) the Liquidity Coverage Ratio and liquidity risk monitoring tools; (c) the leverage ratio framework and disclosure requirements; (d) the Net Stable Funding Ratio; and (e) the post-crisis reforms.

On 4 October 2024, the EBA published its third mandatory Basel III Monitoring Report which assesses the impact that Basel III's full implementation will have on EU banks in 2033. According to this assessment, the full Basel III implementation would result in an average increase of 7.8% at the full implementation date in 2033 of the current Tier 1 minimum required capital. The main contribution factors are the output floor and the operational risks. Thus, to comply with the new framework, banks would need €0.9 billion of additional Tier 1 capital.

However, in coordination with the BCBS, the EBA decided to discontinue the EBA Basel III monitoring report and instead started monitoring the implementation of the CRR III / CRD VI in the EU based on the supervisory reporting framework data (i.e. the COREP data). The objects identified by the EBA for this quantitative impact study (the "**QIS**") are as follows: (i) the collection of data to answer CRR III/CRD VI mandates; (ii) the collection of data for monitoring and analysis purposes; (iii) an intermediary role with respect to the QIS conducted by the BCBS; and (iv) the collection of data to respond to future BCBS supervisory initiatives.

On July 2020, the European Commission adopted a legislative package on capital markets recovery (the "**Capital Markets Recovery Package**") as part of its overall strategy to tackle the economic impacts of the COVID-19 pandemic. Under the Capital Markets Recovery Package targeted amendments to (i) the Prospectus Regulation and Directive 2004/109/EC (such amendments having been introduced by Regulation (EU) 2021/337), (ii) the MiFID II (such amendments having been introduced by Directive (EU) 2021/338) and (iii) the Securitisation Regulation (such amendments having been introduced by Regulation (EU) 2021/557) have been introduced in the EU legislative framework.

On 9 January 2025, the EBA published its final Guidelines on the management of ESG risks. The Guidelines set out requirements for institutions for the identification, measurement, management and monitoring of ESG risks, including through plans aimed at ensuring their resilience in the short, medium and long term.

BRRD and SRMR

The Bank Recovery and Resolution Directive (Directive 2014/59/EU) ("**BRRD**") is intended to enable a range of actions to be taken in relation to credit institutions, investment firms, certain financial institutions and certain holding companies (each a relevant entity) considered to be at risk of failing. The taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of any Notes and/or the rights of Noteholders.

The BRRD was implemented in Italy with the Legislative Decrees 180 and 181 of 16 November 2015 as amended by the Directive (EU) 2019/879 (the "**BRRD II**") and implemented in Italy by Legislative Decree No. 193 of 8 November 2021 published in the Gazzetta Ufficiale on 30 November 2021 (the "**193 Decree**"). The Bank of Italy is the national resolution authority for Italy and it is in charge of resolution and crisis management of non-significant banks (such as the Issuer). Since January 2016, the Bank of Italy's tasks have been performed in the context of the Single Resolution Mechanism ("**SRM**") established by the Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 ("**Single Resolution Mechanism Regulation**" or "**SRMR**" as amended by Regulation (EU) 2019/877 of 20 May 2019, published in the Official Journal of the European Union on 7 June 2019 ("**SRMR II**") and applying from 28 December 2020, and subsequently amended by Regulations (EU) 2019/2033 and 2021/23) which sets out uniform rules and procedures for the resolution involving significant credit institutions or those with cross-border activity within the euro area, as well as certain investment firms under the SRM and the SRF. The SRM and BRRD enable a range of resolution tools and powers to be used in relation to credit institutions and investment firms considered to be at risk of failing.

The BRRD contains four resolution tools and powers which may be used alone (except for the asset separation tool) or in combination with other resolution tools where the relevant resolution authority considers that: (a) a relevant entity is failing or likely to fail; (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe; and (c) a resolution action is in the public interest; these are: (i) sale of business - which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms; (ii) bridge institution - which enables resolution authorities to transfer all or part of the business of the relevant entity to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation - which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in - which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing relevant entity and/or to convert certain unsecured debt claims (including Subordinated Notes) into shares or other instruments of ownership (*i.e.*, other instruments that confer ownership, instruments that are convertible into or give the right to acquire shares or other instruments of ownership, and instruments representing interests in shares or other instruments of ownership) (the "**General Bail-In Tool**"). Such shares or other instruments of ownership could also be subject to any future application of the BRRD. The aim of the bail-in is to absorb losses and recapitalise the failing bank in order to ensure the continuity of its critical economic functions, protecting financial stability and minimising losses to the taxpayer, while still ensuring that no creditor suffers greater losses than if the bank had been liquidated under normal insolvency proceedings. In the context of the bail-in, losses may be transferred, following a priority order and net of the exclusions provided for by the regulations, to shareholders, holders of subordinated debt securities, holders of senior non preferred securities, holders of not subordinated and unsecured debt securities, other unsecured creditors and, finally, depositors for the portion exceeding the guaranteed portion, *i.e.*, for the portion exceeding €100,000 per depositor.

Furthermore, if the conditions are met, the Resolution Authorities may request the use of the SRF referred to in the SRMR, financed by contributions paid by banks.

In addition, because: (i) Article 44(2) of the BRRD excludes certain liabilities from the application of the General Bail-In Tool; and (ii) the BRRD provides, at Article 44(3), that the resolution authority may, in specified exceptional circumstances, partially or fully exclude certain further liabilities from the application of the General Bail-In Tool, the BRRD specifically contemplates that *pari passu* ranking liabilities may be treated unequally. Accordingly, holders of the Subordinated Notes may be subject to write-down or conversion upon an application of the General Bail-In Tool. Furthermore, although the BRRD provides a safeguard in respect of shareholders and creditors upon application of resolution tools, Article 75 of the BRRD sets out that such protection is limited to the incurrence by shareholders or, as appropriate, creditors of greater losses as a result of the application of the relevant tool than they would have incurred in a winding up under normal insolvency proceedings. It is therefore possible not only that the claims of other holders of junior or *pari passu* liabilities may have been excluded from the application of the General Bail-In Tool and therefore the holders of such claims receive a treatment which is more favourable than that received by holders of Subordinated Notes, but also that the safeguard referred to above does not apply to ensure equal (or better) treatment compared to the holders of such fully or partially excluded claims because the safeguard is not intended to address such possible unequal treatment but rather to ensure that shareholders or creditors do not incur greater losses in a bail-in (or other application of a resolution tool) than they would have received in a winding up under normal insolvency proceedings.

A relevant entity will be considered as failing or likely to fail when: (a) it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; (b) its assets are, or are likely in the near future to be, less than its liabilities; (c) it is, or is likely in the near future to be, unable to pay its debts as they fall due; or (d) it requires extraordinary public financial support (except in limited circumstances).

In the context of these resolution tools, the resolution authorities have the power to amend or alter the maturity of certain debt instruments (such as the Notes) issued by an institution under resolution or amend the amount of interest payable under such instruments, or the date on which the interest becomes payable, including by suspending payment for a temporary period.

The BRRD requires all EU Member States to create a national, prefunded resolution fund (reaching a level of at least 1% of covered deposits by 2024). The national resolution fund for Italy was created by the Bank of Italy on 18 November 2015 in accordance with Article 78 of Legislative Decree No. 180/2015 implementing the BRRD (the "**National Resolution Fund**") and required both ordinary and extraordinary contributions to be made by Italian banks and investment firms, including the Issuer. In the Eurozone, the national resolution funds set up under the BRRD were complemented by the Single Resolution Fund in the relevant Member State (the "**SRF**" or the "**Fund**"), set up under the control of the SRB, as of 1 January 2016 and the national resolution funds have been pooled together gradually. The SRF is intended to ensure the availability of funding support while a bank is resolved and will contribute to resolution if, and only after, at least 8% of the total liabilities (including own funds) of the bank have been subject to bail-in. The SRF is expected to reach a target of around €80 billion (the basis being 1% of the covered deposits in the financial institutions of the Eurozone). At the beginning of 2025, the SRB verified that, at the reference date (31 December 2024), the Fund amounted to €80 billion, which is above the 1% of covered deposits. Therefore, unless needed, no collection of annual contributions is foreseen until the next verification exercise, due to take place towards the beginning of 2027.

The BRRD also provides for a Member State as a last resort, after having assessed and applied the above resolution tools (including the General Bail-In Tool) to the maximum extent practicable while maintaining financial stability and subject to certain other conditions, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the burden sharing requirements of the EU state aid framework and the BRRD.

As an exemption from these principles, the BRRD allows for three kinds of extraordinary public support to be provided to a solvent institution without triggering resolution: 1) a State guarantee to back liquidity facilities provided by central banks according to the central banks' conditions; 2) a State guarantee of newly issued liabilities; or 3) an injection of own funds in the form of precautionary recapitalisation. In the case of precautionary recapitalisation, EU state aid rules require that shareholders and junior bond holders contribute to the costs of restructuring.

In addition to the General Bail-In Tool and other resolution tools, the BRRD provides for resolution authorities to have the further power to permanently write-down or convert into equity capital instruments (such as Subordinated Notes) at the point of non-viability and before any other resolution action is taken with losses taken in accordance with the priority of claims under normal insolvency proceedings ("**BRRD Non-Viability Loss Absorption**"). Any shares or other instruments of ownership issued to holders of Subordinated Notes upon any such conversion may in turn be subject to any future application of the General Bail-In Tool.

For the purposes of the application of any BRRD Non-Viability Loss Absorption measure, the point of non-viability under the BRRD is the point at which: (i) the relevant authority determines that the relevant entity meets the conditions for resolution (but no resolution action has yet been taken); or (ii) the relevant authority or authorities, as the case may be, determine(s) that the relevant entity or, in certain circumstances, its group will no longer be viable unless the relevant capital instruments (such as Subordinated Notes) are written-down or converted; or (iii) extraordinary public support is to be provided and without such support the appropriate authority determines that the institution and/or, as appropriate, its group would no longer be viable.

The BRRD also introduces requirements for banks to maintain, at all times, a sufficient aggregate amount of own funds and eligible liabilities (the Minimum Requirement for Own Funds and Eligible Liabilities, "**MREL**") expressed as a percentage of the total liabilities and own funds of the institution. The aim is that the minimum amount should be proportionate and adapted for each category of bank on the basis of their risk or the composition of their sources of funding and to ensure adequate capitalisation to continue exercising critical functions post resolution.

The BRRD II has been implemented in Italy by the Legislative Decree 193/2021, which provides for, among other measures:

- the determination of a minimum unit value for bonds and debt securities (article 12-*ter* of the Italian Banking Act) issued by credit institutions and investment firms:
  - €200,000 for subordinated bonds and other subordinated securities; and
  - €150,000 for senior non preferred debt instruments ("*strumenti di debito chirografario di secondo livello"*);
- the nullity of contracts entered into with non-professional investors (relating to investment services having as their object the instruments referred to in article 12-*ter* of the Italian Banking Act issued after 1 December 2021 or equivalent instruments when issued by subjects having their registered office in a third country, under certain conditions) that do not respect the minimum unit value (Article 25-quater of the Italian Finance Act); and
- the elimination of the ban on the placement of senior non preferred debt instruments with non-qualified investors (article 5 of Legislative Decree 193/2021), subject to the abovementioned provisions.

On 18 April 2023, the European Commission published a legislative proposal on the Crisis Management and Deposits Insurance ("**CMDI**") framework. The package consists of four legislative proposals that would amend existing EU legislation: the BRRD, the Deposit Guarantee Scheme Directive ("**DGSD**") and the SRMR. New aspects of the framework could include: i) expanding the scope of resolution through a revision of the public interest assessment to include a regional impact so more eurozone banks could be brought into the resolution framework; ii) the use of deposit guarantee schemes to help banks, especially the small ones, to meet a key threshold for bearing losses of 8% of their own funds and liabilities, which then allows them to have access to the Single Resolution Fund, also funded by bank contributions, and help sell the problem banks' assets and fund their exit from the market; and iii) amending the hierarchy of claims in insolvency and scrapping the "super-preference" of the DGSD to put all deposits on equal pegging in an insolvency, but still above ordinary unsecured creditors with the aim of enabling the use of DGSD funds in measures other than pay out of covered deposits without violating the least cost test.

Furthermore, as part of the CMDI package the Commission also adopted a targeted amendment of the BRRD and of the SRMR as a separate legal instrument (the "**Daisy Chains proposal**") to address specific issues on the treatment of "internal MREL", with specific regard with the prudential regulatory framework for credit institutions operating in the Union. Specifically, on 24 April 2024, Directive (EU) 2024/1174 of the European Parliament and Council of 11 April 2024, amending Directive 2014/59/EU and Regulation (EU) 2014/806 as regards certain aspects of the minimum requirements for own funds and eligible liabilities, was published in the European Official Journal (the "**Daisy Chain Act**"). Among the others, the new rules of the Daisy Chain Act aim to give the resolution authorities the power of setting internal MREL on a consolidated basis subject to certain conditions. Where the resolution authority allows a bank or a banking group to apply such consolidated treatment, the intermediate subsidiaries will not be obliged to deduct their individual holdings of internal MREL.

Moreover, the Daisy Chain Act would introduce a specific MREL treatment for "liquidation entities". Those are defined as entities within a banking group earmarked for winding-up in accordance with insolvency laws, which would, therefore, not be subject to resolution action (conversion or write-down of MREL instruments). On this basis and as a rule, liquidation entities will not be obliged to comply with an MREL requirement unless the resolution authority decides otherwise on a case-by-case basis for financial stability protection reasons. The own funds of these liquidation entities issued to the intermediate entities will not need to be reduced except when they represent material share of the own funds and eligible liabilities of the intermediate entity.

The amendments introduced by the Daisy Chain Act have been bettered detailed in the SRB Communication on the Daisy Chain Act, published on 30 September 2024, according to Article 12-*quater* (2) of the SRMR, as amended by Article 2 of the Daisy Chain Act:

- the SRB shall not determine the MREL for liquidation entities unless it considers justified to determine said requirement in an amount exceeding the amount sufficient to absorb losses; and
- Article 77(2) and Article 78-*bis* of the CRR, setting for the prior authorisation regime to reduce eligible liabilities instruments, shall not apply to liquidation entities for which the board of the SRB has not determined a MREL.

Lastly, on 20 April 2026, the CMDI package has been published in the Official Journal of the European Union. Unless otherwise stated in the pieces of legislation the CMDI package consists of, most of these provisions will become enforceable (and/or shall be transposed into national law) by 11 May 2028.

Capital Ratio

The CRR) and the CRD), which implement the standards defined by the Basel Committee on Banking Supervision (Basel III framework) into the European Union, came into force on 1 January 2014. The CRR and its technical standards are directly applicable in national legal systems and, along with further pieces of legislation setting forth prudential requirements, constitute what is known as the "Single Rulebook".

Total own funds consist of Tier 1 capital (Tier1 - T1) , which is the sum of Common Equity Tier 1 (CET1) and Additional Tier 1 (AT1) capital, and Tier 2 capital (Tier2 - T2).

The three aforementioned aggregates (CET1, AT1 and T2) are, therefore, determined by algebraically summing the positive and negative elements they comprise, after taking into account "prudential filters". The positive elements included in own funds are fully available to the Bank to be used to meet its overall regulatory capital requirements on risks.

- CET 1: consists of the highest quality capital elements and comprises the following elements: share capital, share premium reserve, revenue and capital reserves, valuation reserves, prudential filters, deductions.
- AT 1: this aggregate includes perpetual bonds issued by the parent company that are considered as AT1 equity instruments.
- T2: subordinated liabilities which can be classified in T2 due to their contractual terms, including any associated share premiums, make up the capital elements of Tier 2 capital. Any own subordinated liabilities held also indirectly and/or synthetically and commitments to repurchase them, as well as T2 instruments, held also indirectly and/or synthetically, issued by other financial sector entities in which one holds or does not hold significant interests, are deducted from these items.

Pursuant to article 26 of the CRR, interim or annual profits for which a formal confirmation resolution has not yet been passed by the shareholders' meeting through the approval of the financial statements for the financial year can be included only with the prior permission of the competent authority which can be granted provided that:

- the aforesaid profits have been approved by the Board of Directors and audited by the entity in charge of the statutory audit of the Bank's accounts; and
- all foreseeable charges and dividends have been deducted from those profits.

Therefore, the breakdown of the Group's Own Funds is as shown in the table below:

	In € thousands	31/12/2025	31/12/2024
A.	Common Equity Tier 1 (CET1) capital before the application of prudential filters	337,529	278,520
	of which: CET1 instruments subject to transitional provisions		
B.	CET1 prudential filters (+/-)	(299)	(380)
C.	CET1 before deductions and the effects of the transitional regime (A +/- B)	337,230	278,140
D.	Items to be deducted from CET1	(27,412)	(33,017)
E.	Transitional regime - Impact on CET1 (+/-)	(1,132)	4,200
F.	Total Common Equity Tier 1 (CET1) capital (C - D +/- E)	308,686	249,323
G.	Additional Tier 1 (AT1) capital before deductions and the effects of the transitional regime	3,140	3,140
	of which: AT1 instruments subject to transitional provisions		
H.	Items to be deducted from AT1		
I.	Transitional Regime - Impact on AT1 (+/-)		
L.	Total Additional Tier 1 (AT1) capital (G - H +/- I)	3,140	3,140
M.	Tier 2 (T2) capital before deductions and the effects of the transitional regime	65,878	21,661
	of which: T2 instruments subject to transitional provisions		
N.	Items to be deducted from T2		
O.	Transitional Regime - Impact on T2 (+/-)		
P.	Total Tier 2 (T2) capital (M - N +/- O)	65,878	21,661
Q.	**Total own funds (F + L + P)**	**377,704**	**274,124**

It should be noted that the minimum capital requirements established under the prudential regulatory framework for the year 2025 are as follows:

- Minimum Common Equity Tier 1 Capital Ratio (CET1 ratio): 4.5% + 2.5% Capital Conservation Buffer (CCB);
- Minimum Tier 1 Capital Ratio: 6.0% + 2.5% CCB;
- Minimum Total Capital Ratio: 8.0% + 2.5% CCB.

Within the scope of the SREP, on 4 November 2024, the Bank of Italy notified the commencement of the procedure for the determination of new additional capital requirements applicable to the banking Group. These Overall Capital Requirement (OCR) were confirmed on 15 January 2025 and shall apply as from the consolidated supervisory reporting as of 31 March 2025, as follows:

- Common Equity Tier 1 (CET1) ratio of 10.20%;
- Tier 1 Capital Ratio of 12.20%;
- Total Capital Ratio of 14.70%

which are inclusive of the Target Component (Pillar 2 Guidance – "P2G").

The banking Group is also required to comply with the systemic risk buffer requirement, which has been set at 1% of risk-weighted credit and counterparty exposures to Italian residents. This buffer has been implemented gradually, with 0.5% of the relevant exposures to be constituted by 31 December 2024, and the remaining 0.5% by 30 June 2025.

Furthermore, in order to ensure that the Group is able to meet the minimum capital requirements under stress scenarios, the Bank of Italy set a Target Component (Pillar 2 Guidance – "P2G") at 2%, effective on each capital ratio.

As from 31 March 2025, the banking Group shall maintain a leverage ratio at the consolidated level equal to 3%, in compliance with the minimum regulatory requirement, in addition to a Target component ("P2G-LR") against a potential increased risk exposure under stress scenarios of 0.5%.

As of 31 December 2025, the banking Group's capital ratios are as follows:

- Common Equity Tier 1 (CET1) Ratio: 14.99%;
- Tier 1 Capital Ratio: 15.14%;
- Total Capital Ratio: 18.34%.

Lastly, it should be noted that, by means of a measure dated 19 March 2026 (**Capital Guidance**), the Bank of Italy communicated the new additional capital requirements for the Group applicable from the consolidated supervisory reports as at 31 March 2026, as set out below:

- Common tier 1 capital ratio (CET1) of 12.70%, comprising an OCR CET1 ratio of 8.20% and a Target component (Pillar 2 Guidance, "P2G") of 4.5%;
- Tier 1 ratio of 14.70%, comprising an OCR CET1 ratio of 10.20% and a Target component (Pillar 2 Guidance, "P2G") of 4.5%;
- Total Capital ratio of 17.20%, comprising an OCR CET1 ratio of 12.70% and a Target component (Pillar 2 Guidance, "P2G") of 4.5%.

With regard to the individual entities within the banking Group, the Supervisory Authority has not imposed any specific additional capital requirements. Each entity of the banking Group, on an individual basis, is therefore required to comply with the minimum capital levels applicable respectively to banking intermediaries and financial intermediaries under the relevant regulations.

On 30 September 2024, the Single Resolution Board (the "**SRB**") published a communication on the changes to its MREL policy to be implemented in line with the Daisy Chain Act (as defined below). In that context, the SRB clarified that the MREL requirements will no longer be determined for liquidation entities, unless the SRB considers it justified to set a requirement exceeding the amount necessary to absorb losses, and that Articles 77 and 78a of the CRR do not apply to liquidation entities for which the SRB has not determined the MREL. In light of the above, the previously adopted decisions setting the MREL were repealed, as well as the prior permissions granted to the same liquidation entities pursuant to Article 78a CRR.

In this context, it should be noted that, pursuant to the resolution plan, the Issuer qualifies as a liquidation entity for which it is not necessary to increase the amount required for loss absorption and, therefore, in accordance with the provisions contained in the Daisy Chain Act, it is not subject to the determination of the MREL requirement.

The Capital Decision procedure initiated by the National Supervisory Authority on 19 December 2025 provided, starting from 31 March 2026, for new additional capital levels in terms of P2G (*Pillar 2 Guidance*), with an increase of 2.5 p.p. in the target component aimed at absorbing any losses deriving from stress scenarios. In particular, this add-on was requested and determined by the Supervisory Authority to deal with a specific uncertainty in terms of the evaluation and execution of the Group's investments in the so-called "*green sector*". The Issuer is currently in the process of reducing its exposure to the sub-fund.

The capital levels that include this updated *target* component represent an orientation of the Supervisory Authority and an expectation on the endowment of equity in the continuous period. On the other hand, the OCR coefficients (*Overall Capital Requirements – binding measure P2R + CBR combined buffer requirement*) or the *target* component on the leverage ratio ("P2G-LR") have not been modified.

The comparison between the January 2025 Capital Decision, in force until 31 December 2025, and the new Capital Guidance in force from 31 March 2026 is shown below.

	CET1		Tier 1		TCR		
	Capital Dec. Gen 2025	Capital Dec. Mar 2026	Capital Dec. Gen 2025	Capital Dec. Mar 2026	Capital Dec. Gen 2025	Capital Dec. Mar 2026	
A) Requisiti di Pillar 1	4,50%	4,50%	6,00%	6,00%	8,00%	8,00%	
B) Requisiti di Pillar 2 (P2R)	1,20%	1,20%	1,70%	1,70%	2,20%	2,20%	P2R => stabile
C) TSCR (A+B)	**5,70%**	**5,70%**	**7,70%**	**7,70%**	**10,20%**	**10,20%**	
D) CCB	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	
E) Syrb (variabile)	0,73%	0,73%	0,73%	0,73%	0,73%	0,73%	
F) CBR (D+E)	**3,23%**	**3,23%**	**3,23%**	**3,23%**	**3,23%**	**3,23%**	
G) OCR (C+F)	**8,93%**	**8,93%**	**10,93%**	**10,93%**	**13,43%**	**13,43%**	OCR => stabile
H) Componente target P2G	2,00%	4,50%	2,00%	4,50%	2,00%	4,50%	P2G => +250bps
I) Livelli di capitale con P2G (G+H)	**10,93%**	**13,43%**	**12,93%**	**15,43%**	**15,43%**	**17,93%**	

A simulation carried out on the actual data as at 31 December 2025 – presented to the Board of Directors of the Issuer in February 2026 – revealed a capital profile of the Group which, compared to the P2G of subsequent application, is capacious at the CET 1 and Total Capital level, against a shortfall at the TIER 1 level of approximately €6 million, equal to 29 bps.

Profilo Gruppo	31/12/2025	P2G (in vigore dal 31/03/2026)	*Buffer/Shortfall bps (simulazione sul 31/12/20205)*
CET 1 Ratio	14,99%	13,42%	**157**
TIER 1 Ratio	15,14%	15,42%	**-28**
Total Capital Ratio	18,34%	17,92%	**42**

In the Capital Guidance, the Authority required the achievement of the new target capital levels (P2G) "*within a maximum period of 1 year*" and, in this context, the Group prepared and transmitted to the National Supervisory Authority a realignment plan based on the assumptions of the Business Plan.

Derisking activities and divestment scenarios

As part of the broader derisking strategy aimed at further improving the Group's asset quality, and taking into careful consideration the requests of the Supervisory Authority formalised in the Capital Decision sent on 15 January at the end of the Prudential Review Process (SREP), a number of transactions were put in place in 2024 to manage impaired portfolios.

On 13 December 2024, in order to support the subsidiary BIAE in its strategic and operational repositioning as a bank oriented to the energy transition ("Green") market, some impaired loans were transferred which concerned positions for a total gross book value ("**Gross Book Value**" or "**GBV**") of approximately €27 million. The sale enabled the subsidiary to improve its credit indicators, albeit with a significant profit and loss ("**P&L**") impact on the relevant impairments.

As a result of this transaction, a portfolio of loans within the Bank's impaired exposures was identified for potential disposal in the course of 2025. For the purposes of calculating value adjustments, IFRS 9 requires consideration of all information, available at the reporting date, on past events and current conditions, as well as forecasts of future economic conditions ("forward looking"); in this sense, as part of the framework of debt recovery scenarios, consideration can also be given to a scenario involving the sale of loan positions, without prejudice to the "Held To Collect" business model of reference. Accordingly, in order to factor in the aforementioned "sell scenario" into the determination of value adjustments as at 31 December 2024, an add-on was determined, based on a non-recourse sale at market value and the probability of such sale, to approximate the recoverable value of the exposures at market prices ("**Add-On Sell**").

In summary, the above process led to:

(i) the identification of a cluster of impaired loans to be assessed in a sale scenario for a Gross Book Value of approximately 54% of the Group's total Gross Book Value at the date, and 2,630 accounts involved;

(ii) the determination, by a leading Advisor, of a range of fair values for the Portfolio; this valuation was made on the basis of methodologies developed by the most authoritative doctrine and used by best practice, for simplicity aggregated in the following steps:

- stock analysis;
- definition of valuation clusters;
- estimating cash flows using benchmark curves;
- estimating the fair value range (including the management and legal costs component and WACC);

(iii) definition of a 90% probability of sale, defined primarily on the basis of the Group's strategic objective;

(iv) determination of the amount of additional value adjustments, to be recognised in order to reflect a value as at 31 December 2024 resulting from the weighting of a 10% base (retention) scenario and a 90% sale scenario.

As part of the broader derisking initiatives undertaken by the Group, on 14 July and 25 July 2025 the disposal of a portfolio of non-performing exposures classified as "Past Due", "Unlikely to Pay" and "Bad Loans" was completed. The transaction, named "Project Augusto", involved the sale to five counterparties of a portfolio comprising 1,046 borrowers (NDG), with a Gross Book Value as of 31 December 2024 totalling €96.7 million.

Distributable Items

As at 31 December 2025, the Issuer had €50,288,965 of Distributable Items.

The following table illustrates – with reference to the Group's capital ratios as 31 December 2025 – the buffer to the CET1 requirement and the Total Capital requirement, buffer to Trigger Event under the Notes as well as the buffer to trigger of restrictions by reference to Maximum Distributable Amount pursuant to Article 141 of the CRD IV Directive.

	31 December 2025
Buffer to CET1 Requirement - Group CET1 ratio vs CET1 requirement (fully loaded)	6.11%
Buffer to Total Capital Requirement - Group Total Capital ratio vs Total Capital requirement (fully loaded)	4.96%
Buffer to Trigger Event - Group CET1 ratio (fully loaded) vs 5.125% trigger	9.92%
Buffer to MDA Trigger according to Article 141 of the CRD IV Directive	4.21%

Legal proceedings

The Group is party to certain civil, criminal and administrative proceedings arising from the operation of its activities and may be subject to inspections by banking, tax and other authorities. The Issuer 2025 Consolidated Annual Financial Statements include €6,878,518 set aside as "Other Provisions for Liabilities and Charges" (*Altri fondi per rischi e oneri*), including €5.171.029 for legal and tax disputes and related estimated legal expenses. The amount of the "Other Provisions for Liabilities and Charges" (*Altri fondi per rischi e oneri*) includes a prudential provision (*accantonamento prudenziale*) of €2,115,544 for potential litigation related to tax receivables (*crediti fiscali*).

Inspection by the supervisory authorities

By letter dated 18 February 2025, ref. No. 0367858/25, delivered by hand on 24 February 2025, the Bank of Italy notified Banca del Fucino of the commencement of inspection activities concerning the Group, pursuant to Articles 54 and 68 of Legislative Decree No. 385/1993. Such inspection was initiated in the context of the ordinary periodic supervisory controls routinely conducted by the Bank of Italy. The inspection, conducted on a consolidated basis, covered all operational areas with the exception of information and communication technology ("**ICT**"), transparency and ESG matters.

The departments concerned provided full cooperation during the inspections, providing prompt assistance and making themselves available to respond to the Bank of Italy's requests. The inspections were concluded on 11 July 2025, followed on 19 December 2025 by notification to the Issuer of the inspection report together with a specific communication from the Bank of Italy. The inspection report contained 17 findings, primarily concerning the internal control system (with recommendations to strengthen human and technical resources of the control functions), as well as organisational and procedural adjustments. Particular attention was devoted to the anti-money laundering ("**AML**") area, with recommendations to strengthen the processes and procedures of the control chain. The report also addressed investments in the green sector, with an indication to reduce overall exposure to the energy subsidiaries.

On 12 January 2026, the Bank of Italy notified Banca del Fucino (not individual directors or officers) of two formal administrative charges: one relating to alleged deficiencies in internal processes, including control processes, and one relating to AML. Banca del Fucino submitted its response to the charges (*controdeduzioni*) on 2 March 2026 and transmitted an action plan (*Piano di Interventi*) (the "**Action Plan**"), whose progress is periodically reported to the Supervisory Authority. The sanctioning proceeding is currently pending; although no sanction has been determined to date, an administrative pecuniary sanction may be imposed upon completion of the proceeding. The sanctioning proposal has not yet been notified and, therefore, the amount of any potential administrative pecuniary sanctions cannot be quantified at this time.

The Action Plan transmitted on 2 March 2026 includes measures aimed at strengthening risk controls through amendments to internal regulations and the procedural framework. A specific section of the Action Plan addresses AML matters and includes actions to improve controls, customer profiling, customer due diligence, transaction monitoring and active cooperation; accountability mechanisms have been introduced for the commercial network together with a structured training programme; a customer review programme is underway with a focus on high-risk profiles.

The Group had already adopted organisational and procedural measures during the course of the inspection and fully incorporated the value adjustments relating to the loan portfolio before the conclusion of the inspection activities. Such value adjustments amount to approximately €12.8 million. The Action Plan is more than 95% complete and will be fully implemented by September 2026.

Following incorporation of the aforementioned value adjustments, CET1, total capital ratio and other prudential indicators remain above the applicable SREP requirements. The effects of the inspection have been duly reflected in, and are consistent with, the 2025 Annual Financial Statements. See also the risk factor headed "*Risks related to litigation and legal and tax proceedings*" above.

Proceedings pursuant to Legislative Decree No. 231/2001

Proceedings No. 46213/13 R.G.N.R. (No. 14/23742 R.G. G.I.P.) are pending before the Criminal Court of Rome against two former employees of Banca del Fucino S.p.A., who were subsequently dismissed in light of the gravity of the alleged conduct. Both individuals are charged with complicity in money laundering and fraudulent transfer of assets punishable under Article 648-*bis* of the Italian Criminal Code (*concorso in riciclaggio*).

In the context of the same proceedings, the Issuer has been charged pursuant to Articles 5 and 25-octies of 231 Decree for allegedly failing to adopt and effectively implement, prior to the commission of the offence, organisational models adequate to prevent money laundering. The relevant conduct is alleged to have occurred in the period between 1 January 2012 and 30 June 2015, prior to the acquisition of the former Banca del Fucino S.p.A. by the current parent company Banca del Fucino S.p.A. (then named Igea Banca S.p.A.) completed on 18 October 2019 by way of reverse merger, and accordingly, entirely during the term of the prior management. As a result of such corporate reorganisation, the Issuer has succeeded to the legal position of the former entity, including this proceeding pursuant to 231 Decree.

The Issuer has filed defence submissions asserting, *inter alia*, that (i) it had provided clear guidance and instructions to its employees, (ii) it had adopted appropriate organisational and management models to prevent offences of the relevant nature, and (iii) the administrative sanction is barred by the statute of limitations (*prescrizione*), on the grounds that the relevant facts were "ascertained" (*accertati*) in June 2015 rather than "committed" (*commessi*) at that time. In addition, Banca del

Fucino has joined the criminal proceedings as a civil party (*parte civile*), claiming that the alleged criminal conduct of the two former employees caused non-pecuniary damage to the Issuer, in particular reputational harm.

At the hearing held on 30 March 2026, the Issuer's defence counsel filed a motion for a judgment of no case to answer (*sentenza di non doversi procedere*) pursuant to Article 67 of 231 Decree, on the grounds that the administrative sanction is time-barred. The proceedings have been adjourned to the hearing scheduled for 23 September 2026.

As at the date of these Listing Particulars, no administrative sanction and/or conservatory measure has been imposed and no conviction has become final (*passata in giudicato*) in connection with these proceedings. Should the Issuer's statute of limitations motion be rejected and the Issuer ultimately be found liable, the Issuer could benefit from a reduction of any pecuniary sanction (*sanzione pecuniaria*) of between one-third and one-half or up to two-third pursuant to Article 12, paragraph 2, of 231 Decree, on the grounds that (i) it has adopted and rendered operative an organisational model adequate to prevent offences of the nature of that which occurred prior to the opening of the first-instance trial (*apertura del dibattimento di primo grado*) and (ii) it has implemented the remedial measures to eliminate the harmful or dangerous consequences of the offence. Furthermore, disqualification sanctions (*sanzioni interdittive*) could not be applicable to the Issuer, as all conditions for their exclusion under Article 17 of 231 Decree would be considered fullfilled, including the adoption and effective implementation of adequate organisational models, the taking of steps to remediate the consequences of the offence and the making available of any profit for confiscation. See also the risk factor headed "*Risks related to litigation and legal and tax proceedings*" above.

BIAE - Launch of inspection activities

Following the general inspection of the Group, further analyses on AML matters have been conducted at BIAE. On 19 March 2026, by letter hand-delivered to the Deputy Acting Director General of BIAE, the inspection activities by the Financial Intelligence Unit of the Bank of Italy began pursuant to Article 6, paragraph 4, letter F) and paragraph 5, letter A) of Legislative Decree No. 231 of 21 November 2007. On 15 May 2026, a response was provided within the required timeframe and feedback is awaited within 90 days. In particular, the discussions (relating to an alleged failure to notify suspicious transactions to the Financial Intelligence Unit) are currently ongoing with the Financial Intelligence Unit of the Bank of Italy regarding 3 loans granted by BIAE, of which 2 have been repaid and 1 has a principal amount outstanding lower than €100,000 as at 31 May 2026. Such discussions concern a request for reconsideration of the transactions for the purposes of assessing whether notifications requirements were correctly complied with. The ordinary activities initiated as a result are being carried out with the full commitment of the relevant internal units within the dialogue with the inspection team. As of the date of these Listing Particulars, no material impact on the Issuer or the Group is expected to result from such inspections. See also the risk factor headed "*Risks related to litigation and legal and tax proceedings*" above.

Proceedings regarding a Banca del Fucino employee

In March 2025, the Issuer has been informed of a preventive seizure order for equivalent value (*decreto di sequestro preventivo per equivalente*) issued by the Judicial Authority of Velletri, pursuant to Article 321, paragraph 2, of the Italian Code of Criminal Procedure and Article 2641 of the Italian Civil Code, in connection with criminal proceedings pending before the Office of the Public Prosecutor at the Ordinary Court of Velletri. The order concerns movable and immovable assets belonging to an employee of the Bank, up to a value of €130,000.00.

The employee is under investigation (*indagato*) for the offence of corruption between private parties (*corruzione tra privati*) pursuant to Article 2635 of the Italian Civil Code.

According to the allegations, the employee, who at the relevant time held the position of branch manager (*Direttore di Filiale*) at a branch of the Bank and is currently employed by the Issuer, allegedly received in November 2021 a bank transfer of €130,000.00 from a director of a client company to a personal account held at another credit institution. The sum was allegedly transferred as a deposit for the purchase of a property under construction, in the context of an alleged mediation role of the employee. The property was allegedly never purchased and the sum was allegedly not returned.

The preventive seizure was subsequently lifted (*dissequestro*) in the same month of March 2025.

The criminal proceedings are at the preliminary investigation phase. Neither the Issuer nor any of its Subsidiaries are involved in the criminal proceedings at this stage. As at the date of these Listing Particulars, the Issuer has no knowledge of the outcome of the investigation, of any committal for trial (*rinvio a giudizio*) of the employee, or of any charge or proceeding against the Issuer pursuant to Legislative Decree No. 231/2001 in connection with this matter.

See also the risk factor headed "*Risks related to litigation and legal and tax proceedings*" above.

SELECTED FINANCIAL INFORMATION

The following tables set out in summary form statement of financial position and income statement information relating to the Group. Such information is derived from the 2025 Annual Financial Statement and the 2024 Annual Financial Statements. Such financial statements and interim report, together with the Independent Auditors' reports and the accompanying notes, appear elsewhere in these Listing Particulars. See "*Documents Incorporated by Reference*".

The financial information presented below should be read in conjunction with such financial statements, reports and the notes thereto.

2025 ANNUAL FINANCIAL STATEMENTS OF THE ISSUER

CONSOLIDATED BALANCE SHEET

Consolidated Assets

	Assets	31/12/2025	31/12/2024
10.	Cash and cash equivalents	478,297	362,592
20.	Financial assets measured at fair value through profit or loss	48,251	37,887
	a) financial assets held for trading	2,826	3,144
	b) financial assets designated at fair value	12,599	-
	c) other financial assets mandatorily measured at fair value	32,826	34,742
30.	Financial assets measured at fair value through other comprehensive income	535,450	645,731
40.	Financial assets measured at amortised cost	3,685,409	3,327,890
	a) loans to banks	100,642	95,729
	b) loans to customers	3,584,768	3,232,161
50.	Hedging derivatives	87	26
70.	Investments in subsidiaries, associates, and joint ventures	85,859	78,648
90.	Property, plant and equipment	109,643	109,736
100.	Intangible assets	3,302	3,667
	of which:		
	- goodwill	2,001	2,001
110.	Tax assets	72,811	71,231
	a) current	25,692	19,121
	b) deferred	47,120	52,110
120.	Non-current assets and disposal groups classified as held for sale	-	14,500
130.	Other assets	515,779	621,370
	Total assets	**5,534,888**	**5,273,277**

Consolidated liabilities

	Liabilities and equity items	31/12/2025	31/12/2024
10.	Financial liabilities measured at amortised cost	5,035,355	4,835,562
	a) amounts due to banks	786,147	944,693
	b) amounts due to customers	4,058,091	3,764,167
	c) debt securities issued	191,117	126,702
20.	Financial liabilities held for trading	3,235	3,694
40.	Hedging derivatives	36	83
60.	Tax liabilities	4,836	1,851
	a) current	2,754	10
	b) deferred	2,082	1,841
80.	Other liabilities	134,512	129,237
90.	Staff severance pay	2,837	3,018
100.	Provisions for risks and charges	9,572	7,877
	a) commitments and guarantees given	2,693	1,213
	c) other provisions for risks and charges	6,879	6,664
120.	Valuation reserves	(1,277)	(3,317)
140.	Equity instruments	3,140	3,140
150.	Reserves	14,992	13,538
160.	Share premium	53,468	36,034
170.	Share capital	270,347	232,265
190.	Equity attributable to non-controlling interests (+/-)	20	20
200.	Profit (Loss) for the year (+/-)	3,815	10,276
	Total liabilities and equity	**5,534,888**	**5,273,277**

CONSOLIDATED INCOME STATEMENT			
	Items	**31/12/2025**	**31/12/2024**
10.	Interest income and similar income	188,494	214,930
	of which: interest income calculated using the effective interest method	180,217	207,290
20.	Interest expense and similar charges	(92,807)	(127,610)
30.	**Net interest income**	**95,687**	**87,319**
40.	Fee and commission income	36,888	34,097
50.	Fee and commission expense	(7,065)	(7,951)
60.	**Net fees and commissions**	**29,823**	**26,146**
70.	Dividends and similar income	1,149	1,084
80.	Net trading income	28,898	35,090
90.	Net result of hedging activities	42	9
100.	Gains (losses) on disposals or repurchases of:	7,152	5,749
	a) financial assets measured at amortised cost	1,296	280
	b) financial assets measured at fair value through other comprehensive income	5,856	5,470
110.	Net gain/(loss) on other financial assets and liabilities measured at fair value through profit or loss	765	(3,085)
	a) financial assets and liabilities designated at fair value	351	-
	b) other financial assets mandatorily measured at fair value	414	(3,085)
120.	**Net Interest Income**	**163,515**	**152,314**
130.	Net adjustments/write-backs for credit risk related to:	(35,699)	(76,733)
	a) financial assets measured at amortised cost	(35,835)	(76,614)
	b) financial assets measured at fair value through other comprehensive income	135	(120)
140.	Gains/(losses) from contractual modifications without derecognition	-	-
150.	**Net financial result**	**127,815**	**75,581**
190.	Administrative expenses:	(118,537)	(121,719)
	a) personnel expenses	(61,906)	(60,469)
	b) other administrative expenses	(56,631)	(61,250)
200.	Net provisions for risks and charges	(1,993)	(3,502)
	a) commitments and guarantees given	(1,480)	(72)
	b) other net provisions	(513)	(3,429)
210.	Net impairment losses/reversals on property, plant and equipment	(10,053)	(9,556)
220.	Net impairment losses/reversals on intangible assets	(981)	(1,222)
230.	Other operating income/expenses	15,745	18,468
240.	**Operating costs**	**(115,819)**	**(117,531)**
250.	Profits (Losses) from investments in subsidiaries, associates, and joint ventures	(1,957)	50,412
280.	Gains (Losses) on disposal of investments	-	5
290.	**Profit (Loss) from current operations before tax**	**10,040**	**8,467**
300.	Income tax for the period on current operations	(6,224)	1,809
310.	**Profit (Loss) from current operations after tax**	**3,815**	**10,276**
330.	**Profit (Loss) for the year**	**3,815**	**10,276**
340.	Profit (Loss) for the year pertaining to minority interests	-	-
350.	**Profit (Loss) for the year pertaining to the Parent Company**	**3,815**	**10,276**

Consolidated Statement of Comprehensive Income

	Items	31/12/2025	31/12/2024
10.	**Profit (Loss) for the year**	**3,815**	**10,276**
	Other comprehensive income, net of tax, not reclassified to profit or loss	**281**	**320**
20.	Equity instruments designated at fair value through other comprehensive income	(74)	146
70.	Defined benefit plans	354	174
	Other comprehensive income, net of tax, reclassified to profit or loss	**1,759**	**2,010**
150.	Financial assets (other than equity instruments) measured at fair value through other comprehensive income	1,759	2,010
200.	**Total other comprehensive income, net of tax**	**2,040**	**2,330**
210.	**Comprehensive income (Item 10 + 200)**	**5,855**	**12,606**
220.	Consolidated comprehensive income attributable to non-controlling interests	-	-
230.	**Consolidated comprehensive income attributable to the Parent Company**	**5,855**	**12,606**

Statement of Changes in Consolidated Shareholders' Equity

Statement of Changes in Consolidated Shareholders' Equity as at 31 December 2025

	Amounts as at 31/12/2024	Changes in opening balance	Balances as at 01/01/2025	Allocation of prior year profit/(loss)		Changes during the period										Group equity as at 31/12/2025	Non-controlling interests as at 31/12/2025
							Equity transactions										
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Purchase of treasury shares	Extraordinary dividend distribution	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in equity interests	Comprehensive income for the period 31/12/2025			
Share capital	232,286		232,286				38,081								270,347	20
- ordinary shares	232,286		232,286				38,081								270,347	20
Share premium	36,034		36,034				17,434								53,468	
Reserves	13,538		13,538	10,276		(8,821)									14,992	
- retained earnings	13,170		13,170	10,276		(9,504)									13,942	
- other	368		368			682									1,050	
Valuation reserves	(3,317)		(3,317)											2,040	(1,277)	
Equity instruments	3,140		3,140												3,140	
Profit (Loss) for the year	10,276		10,276	(10,276)										3,815	3,815	
Group equity	291,936		291,936			(8,821)	55,515							5,855	344,484	
Non-controlling interests	20		20													20

TAXATION

The statements herein regarding taxation are based on the laws in force as at the date of this Admission Document and are a general overview of certain tax consequences in Italy of acquiring, holding and disposing of Notes. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. The following summary is based upon tax laws and/or practice in force as at the date of this Admission Document, which are subject to any changes in law and/or practice occurring after such date, which could be made on a retroactive basis. The Issuer will not update this overview to reflect changes in law and, if any such change occurs, the information in this overview could be superseded.

Noteholders are advised to consult their own tax advisers concerning the overall tax consequences of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes.

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 the Republic of Italy

Tax treatment of interest and proceeds payable under the Notes

Legislative Decree No. 239 of 1 April 1996, as subsequently amended ("**Decree 239**") 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 also as "**Interest**") from Notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*), issued, *inter alia*, by Italian banks.

For this purpose, pursuant to Article 44(2)(c) of Presidential Decree No. 917 of 22 December 1986, as amended and supplemented ("**Decree No. 917**") bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) are securities that (a) incorporate an unconditional obligation to pay, at redemption or maturity, an amount not lower than their nominal value; (b) that do not give any right to directly or indirectly participate in the management of the issuer or to the business in relation to which the securities are issued nor any type of control on the management and (c) do 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.

The tax regime set forth by Decree 239 also applies to Interest from regulatory capital financial instruments relevant for capital adequacy purposes (*strumenti finanziari rilevanti in materia di adeguatezza patrimoniale*) under EU legislation and domestic prudential legislation, issued by, *inter alia*, Italian banks, other than shares and assimilated instruments, as set out by Article 2, paragraph 22, of Law Decree No. 138 of 13 August 2011, as amended and supplemented from time to time.

Please note that, from 1 January 2027, the provisions included in the Decree 239 (Articles 1-9 and 11) will be incorporated, with no changes with respect to what is relevant for this analysis, into the consolidated law on payments and collection, referred to in the Italian Legislative Decree No. 33 of 24 March 2025 (Articles 62-71).

Italian resident Noteholders

Noteholders not engaged in an entrepreneurial activity

Where an Italian resident Noteholder is the beneficial owner of Interest payments under the Notes and is:

(a) an individual not engaged in an entrepreneurial activity to which the Notes are connected unless he has entrusted the management of his financial assets, including the Notes, to an authorized intermediary and has opted for the so-called risparmio gestito regime according to Article 7 of Decree No. 461 (the "Asset Management Option"; or;

(b) a non-commercial partnership (other than a *società in nome collettivo* or a *società in accomandita semplice* or a similar partnership); or

(c) 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 public and territorial entity; or

(d) an investor exempt from Italian corporate income taxation ("**IRES**").

Interest derived from the Notes, paid during the relevant holding period, are subject to a tax withheld at source (*imposta sostitutiva*), levied at a rate of 26 per cent., unless the relevant Noteholder holds the Notes in a discretionary investment portfolio managed by an authorised intermediary and has validly opted for the application of the so-called risparmio gestito regime under article 7 of Legislative Decree No. 461 of November 21, 1997 ("**Decree No. 461**") (see *Capital gains tax*" below).

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity to which the Notes are connected or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Notes if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth pursuant to Italian law as amended and supplemented from time to time.

Noteholders engaged in an entrepreneurial activity

In the event that the Noteholders described under (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax. Interest will be included in the relevant beneficial owner's Italian income tax return and will be subject to Italian ordinary income taxation and the *imposta sostitutiva* may be recovered as a credit that can be offset against the income tax due.

Where an Italian resident Noteholder is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected, and the Notes are deposited with an authorised intermediary, Interest from the Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's income tax return and are therefore subject to IRES, currently applying at the ordinary rate of 24 per cent. and, in certain circumstances, depending on the status of the Noteholder, also to the Italian regional tax on productive activities ("**IRAP**"), generally applying at the rate of 3.9 per cent. (IRAP applies at different rates for certain categories of investors, e.g. banks, financial institutions and insurance companies and, in any case, may be increased or decreased by regional laws).

Real estate investment funds and real estate SICAFs

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001 ("**Decree 351**"), and Article 9, par. 1, Legislative Decree No. 44 of 4 March 2014, payments of interest, premiums or other proceeds in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of the Italian Finance Act or pursuant to Article 14-*bis* of Law No. 86 of 25 January 1994, and Italian real estate investment companies with fixed capital (the "**Real Estate SICAFs**" and, together with the Italian resident real estate investment funds, the "**Real Estate Funds**") are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of such Real Estate Funds, provided that the Notes are timely deposited with an Intermediary (as defined below), but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent.; subject to certain conditions, depending on the status of the investor and percentage of participation, income of the Real Estate Fund is subject to taxation in the hands of the unitholder or shareholder on a tax transparency basis, regardless of distribution.

Non-real estate funds, SICAVs and non-real estate SICAFs

If the investor is resident in Italy and is an open-ended or closed-ended investment fund (other than a Real Estate Fund), a SICAF (an investment company with fixed capital other than a Real Estate SICAF) or a SICAV (an investment company with variable capital) (together, the "**Funds**") established in Italy and either (i) the Fund or (ii) its manager is subject to the supervision of a regulatory authority and the relevant Notes are held by an Intermediary (as defined below), Interest paid during the holding period on such Notes will not be subject to *imposta sostitutiva* but must be included in the management results of the Fund, the SICAV or the non-real estate SICAF. The Fund, the SICAV or the non-real estate SICAF are subject neither to imposta sostitutiva nor to any other income tax in the hands of the Fund, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent. (the "**Collective Investment Fund Withholding Tax**").

Pension funds

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary (as defined below), interest, premium and other income relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period to be subject to a 20 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 Notes). Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth pursuant to Italian law as amended and supplemented from time to time.

Application of the imposta sostitutiva

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, Italian investment companies (*società di intermediazione mobiliare*) ("**SIM**s"), fiduciary companies, Italian asset management companies (*società di gestione del risparmio*) ("**SGR**s"), stockbrokers and other entities identified by a decree of the Ministry of Finance (each an **Intermediary**).

An Intermediary must:

(a) be (i) resident in Italy, (ii) a permanent establishment in Italy of a non-Italian resident 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 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 Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary meeting the requirements under (a) and (b) above, the *imposta sostitutiva* is applied and withheld by any Italian intermediary paying Interest to the Noteholders 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 Notes are effectively connected are entitled to deduct the suffered *imposta sostitutiva* from income taxes due. If Interest on the Notes is not collected through an Intermediary, or absent that, by the Issuer, the Italian resident Noteholders listed above under (a) to (d) will be required to include Interest in their annual income tax return and subject them to a final substitute tax at a rate of 26%.

Non-Italian resident Noteholders

Where the Noteholder is a non-Italian resident without a permanent establishment in Italy to which the Notes are connected, an exemption from the *imposta sostitutiva* applies provided that the non-Italian resident beneficial owner (certain types of institutional investors are deemed to be beneficial owners by operation of law) is either:

(a) resident, for tax purposes, in a country which allows for a satisfactory exchange of information with Italy as listed in 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, whether or not subject to tax, which is established in a country included in the White List, even if it does not possess the status of a taxpayer in its own state of establishment.

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, premium and other income paid to Noteholders who are resident, for tax purposes, in countries not included in the White List.

In order to ensure gross payment, non-Italian resident Noteholders must be the beneficial owners of the payments of Interest or must qualify as "institutional investors" and

(a) deposit, in due time, directly or indirectly, the Notes together with the coupons relating to such Notes with (i) an Italian or non-resident bank or financial institution (there is no requirement for the bank or financial institution to be EU resident) (the "First Level Bank"), acting as intermediary in the deposit of the Notes held, directly or indirectly, by the Noteholder with a Second Level Bank (as defined below); or (ii) an Italian-resident bank or SIM, or a permanent establishment in Italy of a non-resident bank or SIM, acting as depositary or sub-depositary of the Notes appointed to maintain direct relationships, via telematic link, with the Department of Revenue of the Ministry of Economy and Finance (the "Second Level Bank"). Organizations and companies that are not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Italian Ministry of Economy and Finance (which include Euroclear and Clearstream) are treated as Second Level Banks, provided that they appoint an Italian representative (an Italian resident bank or SIM, or permanent establishment in Italy of a non-resident bank or SIM, or a central depositary of financial instruments pursuant to article 80 of Legislative Decree No. 58 of February 24, 1998) for the purposes of the application of Decree No. 239. If a non-Italian resident Noteholder deposits the Notes directly with a Second Level Bank, the latter shall be treated both as a First Level Bank and a Second Level Bank; and

(b) file with the relevant depository, prior to or concurrently with the deposit of the Notes, a statement of the relevant Noteholder, which remains valid until withdrawn or revoked, in which the Noteholder declares to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. 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. Additional requirements depend on the status of the Bondholder and the policies of the relevant depository.

Failure of a non–resident Noteholder to comply in due time with the procedures set forth in Decree 239 and in the relevant implementation rules will result in the application of *imposta sostitutiva* on Interest payments to such non-resident Noteholder.

Noteholders who are subject to the *imposta sostitutiva* might, nevertheless, be eligible for full or partial relief under an applicable tax treaty, provided that the relevant conditions are satisfied and subject to timely filing of required documentation.

Capital gains tax

Italian-resident Noteholders

Noteholders not engaged in an entrepreneurial activity

Where an Italian resident Noteholder is an (i) an individual holding the Notes not 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 Noteholder from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the current rate of 26 per cent. Under certain conditions and limitations Noteholders may set off losses with gains.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity to which the Notes are connected 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 or redemption of the Notes, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth pursuant to Italian law as amended and supplemented from time to time.

In respect of the application of *imposta sostitutiva*, taxpayers under (i) to (iii) above may choose one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Noteholders 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 the relevant investor holding the Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. The relevant Noteholder must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss of the same kind, 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, Italian resident Noteholders under (i) to (iii) above may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the "*risparmio amministrato*" regime provided for by article 6 of Decree No. 461). Such separate taxation of capital gains is allowed subject to (a) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries (including permanent establishments in Italy of foreign intermediaries) and (b) an express election for the *risparmio amministrato* regime being timely made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (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 Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted only from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in the annual tax return.

Any capital gains realised by Italian resident Noteholders under (i) to (iii) above who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the so-called "*risparmio gestito*" regime provided for by Article 7 of Decree No. 461 will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a substitute tax at a rate of 26 per cent., 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 Noteholder is not required to declare the capital gains realised in the annual tax return.

Noteholders engaged in an entrepreneurial activity

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected. Upon fulfilment of certain conditions, for IRES purposes the gains may be taxed in equal instalments over up to five fiscal years.

Real estate investment funds and real estate SICAFs

Any capital gains realised by a Noteholder 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, but 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 will be subject, in certain circumstances, to a withholding tax of 26 per cent.; subject to certain conditions, depending on the status of the investor and the percentage of its participation, income of the Real Estate Fund is subject to taxation in the hands of the unitholder or the shareholder on a tax transparency basis, regardless of distribution.

Non-real estate Funds, SICAVs and non-real estate SICAFs

Any capital gains realised by an Italian Noteholder which is a Fund will not be subject to *imposta sostitutiva*. Such result will not be taxed with the Fund, but subsequent distributions made 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 the Collective Investment Fund Withholding Tax.

Pension funds

Any capital gains realised by a Noteholder who 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 minimum holding period requirement) and limitations, capital gains relating to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth pursuant to Italian law as amended and supplemented from time to time.

Non-Italian resident Noteholders

Capital gains realised by non-Italian resident Noteholders, not having a permanent establishment in Italy to which the Notes are connected, from the sale or redemption of Notes traded on regulated markets in Italy or abroad 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 Noteholder is not resident in Italy for tax purposes) with Italian qualified intermediaries (or permanent establishments in Italy of foreign intermediaries) with which the Notes are deposited). The 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) cannot be assimilated to "regulated market" for Italian income tax purposes.

Capital gains realised by non-Italian resident Noteholders, not having a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of Notes not traded on regulated markets are not subject to the *imposta sostitutiva*, provided that the Noteholder is beneficial owner of the capital gain (certain types of institutional investors are deemed to be beneficial owners by operation of law) and: (a) is resident in a country which allows for a satisfactory exchange of information with Italy, as listed in the White List; or (b) 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 established in a country included in the White List even if it does not possess the status of taxpayer therein 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 Noteholders 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 Noteholders from the sale or redemption of Notes not traded on regulated markets and deemed to be held in Italy 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 Notes are connected that may benefit from a double taxation treaty with Italy providing that capital gains realised upon the sale or redemption of Notes 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 Notes provided all the conditions for its application are met. In this case, if the non-Italian resident Noteholders 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 Noteholders.

The *risparmio amministrato* regime is the ordinary regime automatically applicable to non-Italian resident persons and entities holding Notes deposited with an Intermediary, but non-Italian resident Noteholders retain the right to waive this regime.

Inheritance and gift taxes

Pursuant to Legislative Decree No. 346 of 31 October 1990, as subsequently amended, the transfers of any valuable asset (including shares, notes or other securities) as a result of 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 taxed as follows:

1. transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding, for each beneficiary, €1,000,000;
2. transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding, for each beneficiary, €100,000; and
3. 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 in paragraphs 1, 2 and 3 on the value exceeding, for each beneficiary, €1,500,000.

With respect to Notes listed on a regulated market, the value for inheritance and gift tax purposes is the average stock exchange price of the last quarter preceding the date of the succession or of the gift (including any accrued interest). With respect to unlisted Notes, the value for inheritance tax and gift tax purposes is generally determined by reference to the value of listed debt securities having similar features or based on certain elements as presented in the Italian tax law.

Moreover, an anti-avoidance rule is provided in the case of a gift of assets, such as the Notes, whose sale for consideration would give rise to capital gains to be subject to the *imposta sostitutiva* provided for by Decree 461/1997, as subsequently amended. In particular, if the donee sells the Notes for consideration within five years from their receipt as a gift, the latter is required to pay the relevant imposta sostitutiva as if the gift had never taken place.

Italian inheritance tax and gift tax applies to non-Italian resident individuals for bonds issued by Italian resident companies.

The transfer of financial instruments (including the Notes) as a result of death is exempt from inheritance tax when such financial instruments are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by the Italian law, as amended and supplemented from time to time.

Transfer tax

Following the repeal of the Italian transfer tax, contracts relating to the transfer of securities are subject to the following registration tax: (i) public deeds and notarised deeds (*atti pubblici e scritture private autenticate*) are subject to fixed registration tax at a rate of €200.00; (ii) private deeds (*scritture private non autenticate*) are subject to registration tax only in the case of voluntary registration, explicit reference (*enunciazione*) or case of use (*caso d'uso*).

Stamp duty

Under Article 13(2-ter) of the tariff, Part I of the Presidential Decree No. 642 of 26 October 1972, as amended, a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the Notes deposited with such financial intermediary in Italy. The stamp duty applies at a rate of 0.20 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, the nominal value or redemption amount or in the case the nominal or redemption values cannot be determined, on the basis of purchase value of the Notes 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.

The 0.2 per cent stamp duty tax does not apply to the followings entities that do not fall within the definition of "clients" provided by Bank of Italy Decree May 24th, 2012: banks, financial companies, electronic money institutions (IMEL), insurance companies, in-vestment companies, UCIs, asset management companies, CSD, pension funds, Poste Italiane S.p.A., Cassa Depositi e Prestiti S.p.A., any other financial intermediary, any other entity belonging to the same banking group, companies that control the financial intermediary, companies that are subsidiaries of the financial intermediary or companies that are subject to common control. For the Noteholders that do not fall in the concept of "clients", a fixed stamp duty tax of EUR 2.00 is due for each re-port sent to the Noteholder, pursuant Article 13(1) of Tariff, Part I, attached to the Presidential Decree October 26th, 1972, No. 642.

Tax monitoring obligations

Pursuant to Law Decree No. 167 of 28 June 1990, 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 regardless of the value of such assets (save for deposits or bank accounts having an aggregate value not exceeding the €15,000 threshold throughout the year, which per se do not require such disclosure).

The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the beneficial owner of the instrument thereof for the purposes of anti-money laundering legislation.

No disclosure requirements exist, *inter alia*, for investments and financial activities (including the Notes) 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 the intermediaries themselves.

Wealth Tax on securities deposited abroad

According to Article 19 of Law Decree No. 201 of 6 December 2011, individuals, non-commercial entities, and certain non-commercial partnerships (so called *società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy for tax purposes holding financial assets – including the Notes – outside of the Italian territory are required to declare in their own annual tax declaration and pay a wealth tax at the rate of 0.2 per cent. ("**IVAFE**") (0.4 per cent., as of 2024, in case of financial assets held in States or territories with privileged tax regime identified by the Ministerial Decree of the Ministry of Economy and Finance of May 4, 1999). For taxpayers other than individuals, IVAFE cannot exceed €14,000 per year.

This tax is calculated on the market value of the Notes at the end of the relevant year or, if no market value figure is available, the nominal value or the redemption value or in the case the nominal or redemption values cannot be determined, on the purchase value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

Financial assets (including the Notes) held abroad are excluded from the scope of IVAFE if they are administered by Italian financial intermediaries pursuant to an administration agreement and the items of income derived from such instruments have been subject to tax by the same intermediaries. In this case, the above-mentioned stamp duty provided for by Article 13 of the Tariff attached to Decree 642 does apply.

SUBSCRIPTION AND SALE

Goldman Sachs International (the "**Sole Bookrunner**") has, in a subscription agreement dated 31 July 2026 (the "**Subscription Agreement**"), agreed to subscribe for the Notes at their issue price of 100 per cent. of their principal amount on the terms and subject to the conditions set out in the Subscription Agreement. Pursuant to the Subscription Agreement, the Issuer undertook to pay certain commissions to the Sole Bookrunner. In the Subscription Agreement, the Issuer has agreed to reimburse the Sole Bookrunner for certain of their expenses in connection with the issue of Notes and to indemnify the Sole Bookrunner against certain liabilities incurred by it in connection therewith. The Sole Bookrunner is entitled in certain circumstances to be released and discharged from its obligations under the Subscription Agreement prior to the closing of the issue of the Notes, including in the event that certain conditions precedent are not delivered or met to their satisfaction on the Issue Date. In this situation, the issuance of the Notes may not be completed. Investors will have no rights against the Issuer or the Sole Bookrunner in respect of any expense incurred or loss suffered in these circumstances.

United States

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority 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 pursuant to an exemption therefrom or 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 Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by

U.S. 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 thereunder.

The Sole Bookrunner has represented and agreed that, except as permitted by the Subscription Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes of any identifiable Tranche, (a) as part of their distribution at any time or (b) otherwise until 40 days after completion of the distribution of the Notes, within the United States or to, or for the account or benefit of, U.S. persons. The Sole Bookrunner has further agreed that they will send to each dealer to which they sell any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. 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 of the Notes, an offer or sale of the Notes 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 registration under the Securities Act.

Prohibition of Sales to EEA Retail Investors

The Sole Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes 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 Directive 2014/65/EU (as amended, "**EU MiFID II**"); or

    (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of Sales to UK Retail Investors

The Sole Bookrunner has represented and agreed that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Notes which are the subject of these Listing Particulars to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression **retail investor** means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; and

(b) the expression **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes.

United Kingdom

The Sole Bookrunner has represented and agreed that:

(a) **financial promotion**: 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 Financial Services and Markets Act ("**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) **general compliance**: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Republic of Italy

The offering of the Notes has not been registered with the CONSOB pursuant to Italian securities legislation and, accordingly, the Sole Bookrunner has represented and agreed that sales of the Notes in Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

The Sole Bookrunner has represented and agreed that, save as set out below, no Notes may be offered, sold or delivered, nor may copies of these Listing Particulars or of any other document relating to the Notes be distributed in the Republic of Italy, except to qualified investors (*investitori qualificati*), as defined in the Prospectus Regulation; or in other circumstances which are exempted from the rules on public offerings pursuant to the Prospectus Regulation, the Italian Finance Act and CONSOB Regulation No. 11971 of 14 May 1999 (as amended from time to time) ("**Regulation No. 11971**").

Any such offer, sale or delivery of the Notes or distribution of copies of these Listing Particulars or any other document relating to the Notes in the Republic of Italy must be:

(a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Italian Finance Act, CONSOB Regulation No. 20307 of 15 February 2018 and the Italian Banking Act (in each case as amended from time to time);

(b) in compliance with Article 129 of the Italian Banking Act, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy, issued on 25 August 2015 (as amended on 10 August 2016 and on 2 November 2020), and

(c) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or any other Italian authority.

France

The Sole Bookrunner has represented and agreed that it has only offered or sold and will only offer or sell, directly or indirectly, Notes in France to qualified investors (*investisseurs qualifiés*), as referred to in Article L.411-2 1° of the French *Code monétaire et financier* and defined in Article 2(e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended, and it has only distributed or caused to be distributed and will only distribute or cause to be distributed, in France to such qualified investors, these Listing Particulars or any other offering material relating to the Notes.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948), as amended (the "**FIEA**"). Accordingly, the Sole Bookrunner has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer to sell any Notes in Japan or to, or for the benefit of, a resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan.

Singapore

The Sole Bookrunner has acknowledged that these Listing Particulars has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Sole Bookrunner has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, these Listing Particulars or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, 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 (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.

General

No action has been or will be taken in any jurisdiction by the Issuer or the Sole Bookrunner that would or is intended to permit a public offering of the Notes, or possession or distribution of any offering material in relation thereto, or any offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

The Sole Bookrunner has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes these Listing Particulars or any related offering material, in all cases at its own expense; and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of the Notes 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 the Sole Bookrunner shall have any responsibility therefor. Other persons into whose hands these Listing Particulars comes are required by the Issuer and the Sole Bookrunner to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish these Listing Particulars or any related offering material, in all cases at their own expense.

GENERAL INFORMATION

Name and Legal Form of the Issuer

The Issuer has its registered office at Via Tomacelli 107, 00186 Rome, Italy (telephone number 06.689.761) and is registered in the Companies' Register of Rome under number 04256050875 and has been authorised by the Bank of Italy to conduct banking activities since 3 July 2006. The Bank has also been registered in the banking group's registry (*Albo dei Gruppi Bancari*) since 13 December 2019. The Bank is authorized under applicable Italian law to provide certain investment services. According to Article 3 of the Issuer's current Articles of Association, its duration is set at 31 December 2050, and may be extended.

Corporate Purpose

The purpose of the Issuer, pursuant to Article 4 of the Issuer's current Articles of Association, is the collection of savings from the public, the exercise of lending activities, and securities intermediation. The Issuer may carry out all banking and financial operations and services permitted under applicable regulations, including, within the limits and under the conditions established by Legislative Decree No. 385 of 1 September 1993, the activity of lending secured by pledge, as well as any other activities or transactions that are instrumental or otherwise connected to the pursuit of the corporate purpose. The Issuer may also provide investment services, subject to obtaining the necessary authorizations. The Issuer may furthermore, subject to obtaining the necessary authorizations, engage in any financial activity permitted by law, including the purchase of business receivables. The Issuer, in its capacity as parent company of the "Igea Banca" Banking Group pursuant to Article 61, paragraph 4 of the Legislative Decree No. 385 of 1 September 1993, issues, in the exercise of its management and coordination activity, directives to the Group's components for the implementation of the instructions issued by the Bank of Italy in the interest of the stability of the Group.

Share Capital of the Issuer

Pursuant to Article 5 of the Articles of Association, the paid-up share capital of the Issuer amounts to €270,346,566.46 as at 31 December 2025, divided into no. 157,645,889 shares without an indication of nominal value.

Authorisation

The issuance of the Notes has been authorised by resolutions of the board of directors of the Issuer dated 30 September 2025, 27 November 2025, 25 March 2026, 28 May 2026, 30 June 2026 and 16 July 2026.

Legal Entity Identifier

The Legal Entity Identifier (LEI) of the Issuer is 815600722FAEE18D6013.

Listing of Notes and Admission to Trading

Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and to trading on the Global Exchange Market, which is the exchange regulated market of Euronext Dublin, with effect from the Issue Date. The Global Exchange Market is not a regulated market for the purposes of EU MiFID II.

The Issuer estimates that the amount of expenses related to the admission to trading of the Notes will be approximately €8,740.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in connection with the application for admission of the Notes to the Official List of Euronext Dublin and to trading on the Global Exchange Market of Euronext Dublin.

Documents Available

For as long as these Listing Particulars remains valid and the Notes remain outstanding and are admitted to trading on the Global Exchange Market, electronic copies of the following documents will, when published, be available to Noteholders for inspection or collection from the registered office of the Issuer and upon reasonable request from the specified offices of the Paying Agent for the time being in Italy (or may be provided by email to a Noteholder following their prior written request to any Paying Agents and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent):

(a) the Articles of Association (with an English translation thereof) of the Issuer;

(b) the last two years published audited consolidated annual financial statements of the Issuer in each case together with the audit report prepared in connection therewith and the most recently published unaudited consolidated condensed interim financial statements of the Issuer (with an English translation thereof), together with the limited review report prepared in connection therewith;

(c) these Listing Particulars and any information incorporated by reference herein.

In addition, electronic copies of these Listing Particulars and each document incorporated by reference are available on the Issuer's website at https://bancafucino.it/sito-istituzionale/investor-relations/documenti-societari.

Clearing Systems

The Notes have been accepted for clearance and settlement by Monte Titoli. The ISIN is IT0005688921. The registered office and principal place of business of Monte Titoli is Piazza degli Affari 6, 20123 Milan, Italy.

Significant or Material Adverse Change

There has been no significant change in the financial performance or position of the Issuer since 31 December 2025 and there has been no material adverse change in the prospects of the Issuer since 31 December 2025.

Litigation

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 these Listing Particulars which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the Group.

Material Contracts

The Issuer has no material contracts in place which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations under the Notes, other than those contracts entered into in the ordinary course of business.

Yield

There is no explicit yield to maturity. The Notes do not carry a fixed date for redemption and the Issuer is not, and under certain circumstances is not permitted, to make payments on the Notes at the full stated rate. The interest rate is also subject to periodic resetting.

For information purposes only, the yield of the Notes calculated on the basis of the Issue Price and the Initial Rate of Interest from (and including) the Issue Date up to (but excluding) the First Reset Date and assuming no Write-Down during such period would be 12.360 per cent. per annum calculated on an annual basis. It is not an indication of the actual yield for such period or of any future yield.

Independent Auditors

PricewaterhouseCoopers S.p.A. was appointed by the shareholders' meetings of the Issuer held on 6 May 2024 as independent auditors for the nine-years from 2024 to 2032. The engagement of PricewaterhouseCoopers S.p.A. will expire upon approval of the Issuer's financial statements as at and for the year ending 31 December 2032.

PricewaterhouseCoopers S.p.A., is registered in the Register of the Statutory Auditors, in compliance with the provisions of Legislative Decree No. 39/2010 as implemented by the MEF (Decree No. 144 of 20 June 2012). The registered office of PricewaterhouseCoopers S.p.A. is at Piazza Tre Torri 2, 20145, Milan, Italy.

Interests of natural and legal persons involved in the issue/offer

The Sole Bookrunner and its affiliates have engaged, and may in the future engage, in financing, in investment banking and/or commercial banking transactions and may perform services for the Issuer and its affiliates in the ordinary course of business. The Sole Bookrunner and its affiliates may have positions, deal or make markets in the Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Sole Bookrunner and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Sole Bookrunner or its affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Sole Bookrunner and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes.

The Sole Bookrunner and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the avoidance of doubt, for the purpose of this paragraph the term "**affiliates**" also includes a parent company.

THE ISSUER

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Italy

PAYING AGENT

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To the Issuer as to Italian law

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To the Sole Bookrunner as to Italian and English law

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