ENEL – Società per Azioni

(incorporated with limited liability in Italy)

€1,250,000,000 Perpetual 6 Year Non-Call Capital Securities
€750,000,000 Perpetual 9 Year Non-Call Capital Securities

ENEL – Società per Azioni (the "**Issuer**" or "**ENEL**") will issue €1,250,000,000 Perpetual 6 Year Non-Call Capital Securities (the "**NC 6 Securities**") and €750,000,000 Perpetual 9 Year Non-Call Capital Securities (the "**NC 9 Securities**" and, together with the NC 6 Securities, the "**Securities**", and each a "**Series of Securities**") on 14 January 2026 (the "**Issue Date**").

The NC 6 Securities will bear interest on their principal amount (a) from (and including) the Issue Date to (but excluding) 14 January 2032 (the "**NC 6 Securities First Reset Date**"), at the rate of 4.125 per cent. per annum and (b) from (and including) the NC 6 Securities First Reset Date to (but excluding) the date fixed for redemption, at, in respect of each Reset Period, the relevant EUR 5 year Swap Rate plus (A) in respect of the Reset Period commencing on the NC 6 Securities First Reset Date 1.658 per cent. per annum, (B) in respect of the Reset Periods commencing on 14 January 2037, 14 January 2042 and 14 January 2047, 1.908 per cent. per annum, and (C) in respect of any subsequent Reset Period 2.658 per cent. per annum (each, as defined in "*Terms and Conditions of the NC 6 Securities*"). Interest on the NC 6 Securities will be payable annually in arrear on 14 January in each year (each an Interest Payment Date (as defined in "*Terms and Conditions of the NC 6 Securities*").

The NC 9 Securities will bear interest on their principal amount (a) from (and including) the Issue Date to (but excluding) 14 January 2035 (the "**NC 9 Securities First Reset Date**"), at the rate of 4.500 per cent. per annum and (b) from (and including) the NC 9 Securities First Reset Date to (but excluding) the date fixed for redemption, at, in respect of each Reset Period, the relevant EUR 5 year Swap Rate plus (A) in respect of the Reset Period commencing on the NC 9 Securities First Reset Date 1.821 per cent. per annum, (B) in respect of the Reset Periods commencing on 14 January 2040, 14 January 2045 and 14 January 2050, 2.071 per cent. per annum, and (C) in respect of any subsequent Reset Period 2.821 per cent. per annum (each, as defined in "*Terms and Conditions of the NC 9 Securities*"). Interest on the NC 9 Securities will be payable annually in arrear on 14 January in each year (each an Interest Payment Date (as defined in "*Terms and Conditions of the NC 9 Securities*").

References in this Offering Circular to the "relevant Securities" are to the NC 6 Securities or the NC 9 Securities, as applicable, references to "relevant Coupons" are to the NC 6 Coupons or the NC 9 Coupons, as applicable, references to the "relevant Terms and Conditions of the Securities" or the "relevant Conditions" are to the Terms and Conditions of the NC 6 Securities or the Terms and Conditions of the NC 9 Securities, as applicable, references to a numbered "Condition" are to the correspondingly numbered provision of the relevant Conditions, and references to the "relevant Securityholders" and/or the "relevant Couponholders" are to the holders of the relevant Securities and/or Coupons. References to the "relevant Trust Deed" are to the NC 6 Trust Deed or the NC 9 Trust Deed (as defined below), as applicable.

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

The Securities will be issued in bearer form, with interest coupons appertaining to the NC 6 Securities (the "**NC 6 Coupons**") and the NC 9 Securities (the "**NC 9 Coupons**" and, together with the NC 6 Coupons, the "**Coupons**") and one talon for further interest coupons (the "**Talon**") attached on issue, each of the NC 6 Securities and the NC 9 Securities being issued pursuant to separate trust deeds dated 14 January 2026 between the Issuer and BNY Mellon Corporate Trustee Services Limited, as trustee (the "**Trustee**") (the "**NC 6 Trust Deed**" and the "**NC 9 Trust Deed**" respectively and together, the "**Trust Deeds**" and each a "**Trust Deed**"). The Securities will be issued in denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Securities will be perpetual securities and have no fixed date for redemption. Unless previously redeemed or purchased and cancelled by the Issuer as provided below, the Securities will become due and payable and will be redeemed on the date on which a winding up, dissolution or liquidation of the Issuer (otherwise than for the purpose of a solvent amalgamation, merger or reconstruction under which the assets and liabilities of the Issuer are assumed by the entity resulting from such amalgamation, merger or reconstruction and such entity assumes the obligations of the Issuer in respect of the Securities in accordance with Condition 13.2) is instituted (the "**Liquidation Event Date**"), including in connection with any Insolvency Proceedings (as defined below) in accordance with (i) any applicable legal provision, or any decision of any judicial or administrative authority, or (ii) any resolution passed at a shareholders' meeting of the Issuer or (iii) any provision which is set out in the by-laws of the Issuer from time to time (including the maturity of the Issuer which, as of the Issue Date, is set in its by-laws at 31 December 2100).

Upon having become due and payable according to the provisions above, the Securities will be redeemed at an amount equal to their principal amount, together with any outstanding interest accrued up to (but excluding) the Liquidation Event Date and any outstanding Arrears of Interest (as defined in the relevant Terms and Conditions of the Securities). The Issuer may redeem all, but not some only, of the relevant Securities on any Par Call Date at their principal amount together with any interest accrued up to, but excluding, the applicable Par Call Date and any outstanding Arrears of Interest. The Issuer may also redeem all, but not some only, of the relevant Securities at the applicable Early Redemption Price at any time upon the occurrence of a Withholding Tax Event, an Accounting Event, a Rating Methodology Event or a Tax Deductibility Event (each as defined in the relevant Terms and Conditions of the Securities). The Issuer may redeem all (but not some only) of the NC 6 Securities on any day prior to 14 October 2031 (the "**NC 6 Securities First Par Call Date**", being the date falling 3 months before the NC 6 Securities First Reset Date) at the Make-whole Redemption Amount (as defined in the Terms and Conditions of the NC 6 Securities). The Issuer may redeem all (but not some only) of the NC 9 Securities on any day prior to 14 October 2034 (the "**NC 9 Securities First Par Call Date**", being the date falling 3 months before the NC 9 Securities First Reset Date) at the Make-whole Redemption Amount (as defined in the Terms and Conditions of the NC 9 Securities). In the event that at least 75 per cent. of the aggregate principal amount of the relevant Securities issued on the Issue Date has been purchased by or on behalf of the Issuer or a Subsidiary (as defined in the relevant Terms and Conditions of the Securities) and cancelled, the Issuer may redeem all, but not some only, of the outstanding Securities at the applicable Early Redemption Price. See "*Terms and Conditions of the NC 6 Securities – Redemption and Purchase – Purchases and Substantial Repurchase Event*" in respect of the NC 6 Securities and "*Terms and Conditions of the NC 9 Securities – Redemption and Purchase – Purchases and Substantial Repurchase Event*" in respect of the NC 9 Securities.

If at any time after the Issue Date the Issuer determines that a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or an Accounting Event has occurred and is continuing, and has provided the Trustee with the relevant certificate and opinion, (in the case of Condition 6.5 only, the Rating Agency Confirmation) pursuant to Conditions 6.3, 6.4, 6.5 or 6.6 (as applicable), then the Issuer may, without any requirement for the consent or approval of the relevant Securityholders or relevant Couponholders and subject to the pre-conditions set out in Condition 7.2, (i) exchange the Securities or (ii) vary the terms of the Securities, so that after such exchange or variation the Securities remain or become, as the case may be, eligible for the same or (from the perspective of the Issuer) more favourable tax, accounting or ratings treatment than the treatment to which they were entitled prior to the relevant event occurring. See "*Terms and Conditions of the NC 6 Securities – Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*" in respect of the NC 6 Securities and "*Terms and Conditions of the NC 9 Securities – Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*" in respect of the NC 9 Securities.

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

An investment in the Securities involves certain risks. For a discussion of risks, see "Risk Factors" beginning on page 12.

This Offering Circular has been approved by the Central Bank of Ireland, as competent authority under Regulation (EU) 2017/1129, as amended and supplemented (the "**Prospectus Regulation**"). Such approval only relates to Securities, which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU, as amended and supplemented ("**MiFID II**") and/or which are to be offered to the public in any member state of the European Economic Area. The Central Bank of Ireland only approves this Offering Circular as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Securities. Investors should make their own assessment as to the suitability of investing in the Securities.

The Central Bank of Ireland has been requested to provide a certificate of approval and a copy of this Offering Circular to the relevant competent authority in the Republic of Italy.

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Securities to be admitted to the Official List (the "**Official List**") and to trading on its regulated market (the "**Market**"). Application may also be made to Borsa Italiana S.p.A. ("**Borsa Italiana**") for the Securities to be admitted to listing and trading on its screen-based bond market (*Mercato Telematico delle Obbligazioni* or the "**MOT**"). The Market and the MOT are regulated markets for the purposes of MiFID II.

This Offering Circular will be valid until the date of admission of the Securities to trading on Euronext Dublin and, if applicable, on the MOT. The obligation to supplement this Offering Circular in the event of a significant new factor, material mistake or material inaccuracy does not apply once the Securities are admitted to trading on Euronext Dublin and, if applicable, on the MOT.

This Offering Circular is available for viewing on the website of Euronext Dublin (*https://www.euronext.com/en/markets/dublin*).

Subject to and as set out in Condition 8 of the relevant Terms and Conditions of the Securities, the Issuer shall not be liable to pay any Additional Amounts to holders of Securities in relation to any withholding or deduction required pursuant to Italian Legislative Decree No. 239 of 1 April, 1996 (as the same may be amended, supplemented and/or replaced from time to time, "**Decree No. 239**") where they are held by a Securityholder resident for tax purposes in a country that does not allow for a satisfactory exchange of information with Italy and otherwise in the circumstances described in Condition 8 of the relevant Securities.

The Securities are expected to be rated "Baa3" by Moody's France S.A.S. (jointly with its affiliates and branches established in the EU, "**Moody's**"), "BB+" by S&P Global Ratings Europe Limited (jointly with its affiliates and branches established in the EU, "**S&P**") and "BBB-" by Fitch Ratings Ireland Limited (jointly with its affiliates and branches established in the EU, "**Fitch**"). Each of Moody's, S&P and Fitch is established in the European Union (the "**EU**") and registered under Regulation (EC) No.1060/2009 (as amended) (the "**EU CRA Regulation**") and as such is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the EU CRA Regulation. The ratings issued by S&P, Fitch and Moody's are endorsed by S&P Global Ratings UK Limited, Fitch Ratings Ltd and Moody's Investors Service Limited, respectively, each of which is established in the United Kingdom (the "**UK**") and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") (the "**UK CRA Regulation**" and, together with the EU CRA Regulation, the "**CRA Regulation**"). **A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

Each of the NC 6 Securities and the NC 9 Securities will initially be represented by a temporary global security (the "**Temporary Global Security**"), without interest coupons, which will be deposited on or about the Issue Date with a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream**"). Interests in such Temporary Global Security will be exchangeable for interests in a permanent global security (the "**Permanent Global Security**" and, together with the Temporary Global Security, the "**Global Securities**"), without interest coupons, 40 days after the commencement of this offering, upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Security will be exchangeable for definitive Securities only in certain limited circumstances. See "*Overview of the Terms of the Securities*".

Banco Bilbao Vizcaya Argentaria, S.A., BNP PARIBAS, Citigroup Global Markets Europe AG, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, Goldman Sachs International, HSBC Continental Europe, Intesa Sanpaolo S.p.A., J.P. Morgan SE, Morgan Stanley & Co. International plc, MUFG Securities (Europe) N.V., Société Générale and UniCredit Bank GmbH (the "**Joint Lead Managers**"), expect to deliver the Securities to purchasers in bearer form on or about 14 January 2026.

The Securities have not been and will not be registered under the U. S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and are bearer securities that are subject to U.S. tax law requirements. The Securities may not be offered, sold or delivered within the United States or for the account or benefit of U.S. Persons (as defined in Regulation S under the Securities Act). For a description of these and certain further restrictions on offers, sales and transfers of Securities and distribution of this Offering Circular, see "Subscription and Sale".

Joint Lead Managers

BBVA	**BNP PARIBAS**	**Citigroup**
Crédit Agricole CIB	**Deutsche Bank**	**Goldman Sachs International**
HSBC	**IMI – Intesa Sanpaolo**	**J.P. Morgan**
Morgan Stanley	**MUFG**	**Société Générale Corporate & Investment Banking**
	UniCredit	

The date of this Offering Circular is 12 January 2026

NOTICE TO INVESTORS

This Offering Circular comprises a prospectus for the purposes of Article 6 of the Prospectus Regulation.

The Issuer accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge of the Issuer, the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information. Certain Information has been extracted from or is the result of the Issuer's elaboration on information provided by third-party sources, such as company filings, National Regulators' Annual Reports and leading information providers as described in this Offering Circular, which the Issuer deems to be the most reliable. The Issuer confirms that such information has been accurately reproduced and, as far as it is aware and is able to ascertain from published information, no facts have been omitted which would render the reproduced information inaccurate or misleading. Although the Issuer believes that the external sources used are reliable, the Issuer has not independently verified the information provided by such sources.

This Offering Circular is to be read in conjunction with all information which is incorporated by reference in, and forms part of, this Offering Circular (see "*Incorporation by Reference*").

Other than in relation to the documents which are deemed to be incorporated by reference (see " *Incorporation by Reference*"), the information on the websites to which this Offering Circular refers does not form part of this Offering Circular and has not been scrutinised or approved by the Central Bank of Ireland.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Lead Managers or the Trustee or any of their respective affiliates (including parent companies) as to the accuracy or completeness of the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuer in connection with the offering of the Securities.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee, the Principal Paying Agent or the Agent Bank (each as defined in the relevant Terms and Conditions of the Securities) accepts any responsibility or liability for the contents of this Offering Circular. Each of the Joint Lead Managers, the Trustee, the Principal Paying Agent and the Agent Bank accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement.

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

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

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Securities shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the issue and offering of the Securities is correct as of any time subsequent to the date indicated in the document containing the same. The Joint Lead Managers and the Trustee expressly do not undertake to review the financial condition or affairs

of the Issuer during the life of the Securities or to advise any investor in the Securities of any information coming to their attention.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer, or an invitation, to buy the Securities in any jurisdiction to any person to whom it is unlawful to make any such offer, solicitation or invitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of the Securities may be restricted by law in certain jurisdictions. None of the Issuer, the Joint Lead Managers or the Trustee represents that this Offering Circular may be lawfully distributed, or that the Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Joint Lead Managers or the Trustee that would permit a public offering of the Securities or the distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Securities may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Securities may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of the Securities. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of the Securities in the EEA, the United States, the United Kingdom, Singapore and the Republic of Italy. See "*Subscription and Sale*".

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

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Securities, the merits and risks of investing in the Securities and the information included in this Offering Circular or any applicable supplement;

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

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

(d) understand thoroughly the terms of the Securities and be familiar with the behaviour of any relevant financial markets; and

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

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

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Securities. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Notwithstanding the above, any adverse change in an applicable credit rating could adversely affect the trading price for the Securities. The Securities may be rated or unrated. Where the Securities are rated, such rating will not necessarily be the same as the rating(s) assigned to ENEL at the date of this Offering Circular or to other securities of same nature. Certain information with respect to

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

The list of registered and certified rating agencies published by the ESMA or by the UK Financial Conduct Authority (the "FCA") on each of their websites in accordance with the relevant CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA or FCA list. If the status of the rating agency rating the Securities changes, European and UK regulated investors may no longer be able to use the rating for regulatory purposes and the Securities may have a different regulatory treatment. This may result in EU and UK regulated investors selling the Securities which may have an impact on the value of the Securities. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Offering Circular.

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

UK MiFIR product governance / professional clients and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in the Regulation (EU) No. 10/2014 as it forms part of domestic law by virtue of European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Securities (a "distributor") should take into consideration the manufacturer/s' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA – The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the 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 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 MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended,

the "PRIIPs Regulation") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the "FSMA") to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Singapore SFA Product Classification: Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 (the "SFA"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Securities are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

IN CONNECTION WITH THE OFFERING OF THE SECURITIES, J.P. MORGAN SE (OR PERSONS ACTING ON ITS BEHALF) (TOGETHER, THE "**STABILISATION MANAGER**") MAY OVER-ALLOT SECURITIES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE SECURITIES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION ACTION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE SECURITIES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE SECURITIES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE SECURITIES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISATION MANAGER (OR PERSON(S) ACTING ON BEHALF OF THE STABILISATION MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

TABLE OF CONTENTS

OVERVIEW OF THE TERMS OF THE SECURITIES

This overview of the terms of the Securities must be read in conjunction with and is qualified in its entirety by reference to the sections of this Offering Circular entitled "Terms and Conditions of the NC 6 Securities" and "Terms and Conditions of the NC 9 Securities". References to the "relevant Terms and Conditions of the Securities" or the "relevant Conditions" are to the relevant terms and conditions set out in those sections and references to a numbered "Condition" are to the correspondingly numbered provision of the relevant Conditions. Capitalised terms used but not otherwise defined herein have the meaning ascribed to them in the relevant Conditions.

Issuer	ENEL - Società per Azioni
Legal Entity Identifier (LEI)	WOCMU6HCI0OJWNPRZS33
Issuer's website	https://www.enel.com/
Securities Offered	€1,250,000,000 Perpetual 6 Year Non-Call Capital Securities (the "**NC 6 Securities**") and €750,000,000 Perpetual 9 Year Non-Call Capital Securities (the "**NC 9 Securities**" and, together with the NC 6 Securities, the "**Securities**").
Date fixed for redemption	The Securities are perpetual securities and have no fixed date for redemption. Unless previously redeemed or purchased and cancelled as provided below, the Securities will become due and payable and will be redeemed on the date on which a winding up, dissolution or liquidation of the Issuer (otherwise than for the purpose of a solvent amalgamation, merger or reconstruction under which the assets and liabilities of the Issuer are assumed by the entity resulting from such amalgamation, merger or reconstruction and such entity assumes the obligations of the Issuer in respect of the Securities in accordance with Condition 13.2 of the relevant Terms and Conditions of the Securities) is instituted (the "**Liquidation Event Date**"), including in connection with any Insolvency Proceedings, in accordance with (i) any applicable legal provision, or any decision of any judicial or administrative authority, or (ii) any resolution passed at a shareholders' meeting of the Issuer or (iii) any provision which is set out in the by-laws of the Issuer from time to time (including the maturity of the Issuer which, as of the date of this Offering Circular, is set in its by-laws at 31 December 2100). Upon having become due and payable according to the provisions above, the Securities will be redeemed at an amount equal to their principal amount, together with any outstanding interest accrued up to, but excluding, the Liquidation Event Date and any outstanding Arrears of Interest.
Interest	The NC 6 Securities will bear interest on their principal amount (i) from (and including) the Issue Date to (but excluding) the NC 6 Securities First Reset Date, at the rate of 4.125 per cent. per annum, payable annually in arrear on each Interest Payment Date

	and (ii) from (and including) the NC 6 Securities First Reset Date to (but excluding) the date fixed for redemption, at, in respect of each Reset Period, the relevant EUR 5 year Swap Rate plus (A) in respect of the Reset Period commencing on the NC 6 Securities First Reset Date to but excluding 14 January 2037, 1.658 per cent. per annum, (B) in respect of the Reset Periods commencing on 14 January 2037, 14 January 2042 and 14 January 2047, 1.908 per cent. per annum, and (C) in respect of any other Reset Period after 14 January 2052, 2.658 per cent. per annum, all as determined by the Agent Bank for annual payment in arrear on each Interest Payment Date, commencing 14 January 2027. The NC 9 Securities will bear interest on their principal amount (i) from (and including) the Issue Date to (but excluding) the NC 9 Securities First Reset Date, at the rate of 4.500 per cent. per annum, payable annually in arrear on each Interest Payment Date and (ii) from (and including) the NC 9 Securities First Reset Date to (but excluding) the date fixed for redemption, at, in respect of each Reset Period, the relevant EUR 5 year Swap Rate plus (A) in respect of the Reset Period commencing on the NC 9 Securities First Reset Date to but excluding 14 January 2040, 1.821 per cent. per annum, (B) in respect of the Reset Periods commencing on 14 January 2040, 14 January 2045 and 14 January 2050, 2.071 per cent. per annum, and (C) in respect of any other Reset Period after 14 January 2055, 2.821 per cent. per annum, all as determined by the Agent Bank for annual payment in arrear on each Interest Payment Date, commencing 14 January 2027.
Interest Payment Dates	Each Security will bear interest from the date of original issuance. Interest on the NC 6 Securities will be payable annually in arrear on 14 January in each year, commencing on, and including, 14 January 2027. Interest on the NC 9 Securities will be payable annually in arrear on 14 January in each year, commencing on, and including, 14 January 2027 (each an "**Interest Payment Date**").
Optional Interest Deferral and Arrears of Interest	The Issuer may, at its sole discretion, elect to defer in whole, but not in part, any payment of interest accrued on the relevant Securities in respect of any Interest Period (a "**Deferred Interest Payment**") by giving notice (a "**Deferral Notice**") of such election to the relevant Securityholders in accordance with Condition 12 of the relevant Terms and Conditions of the Securities, and to the Trustee and the Principal Paying Agent at least five, but not more than 30, Business Days prior to the relevant Interest Payment Date. If the Issuer makes such an election, it shall have no obligation to make such payment and any such non-payment of interest shall not constitute a default

by the Issuer or any other breach of its obligations under the relevant Securities or for any other purpose.

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

Optional Settlement of Arrears of Interest

The Issuer may pay outstanding Arrears of Interest (in whole but not in part) at any time upon giving not less than 10 and not more than 15 Business Days' notice to the relevant Securityholders in accordance with Condition 12 of the relevant Terms and Conditions of the Securities (which notice shall be irrevocable and will oblige the Issuer to pay the relevant Arrears of Interest on the payment date specified in such notice) and to the Trustee and the Principal Paying Agent at least five, but not more than 30, Business Days prior to the relevant due date for payment.

Mandatory Settlement of Arrears Interest

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

"**Mandatory Settlement Date**" means the earliest of:

(i) the fifth Business Day following the date on which a Mandatory Arrears of Interest Settlement Event occurs;

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

(iii) the date on which the Securities are redeemed or repaid in accordance with Condition 6 of the relevant Terms and Conditions of the Securities, including at the Liquidation Event Date (unless otherwise required by mandatory provisions of applicable law).

A "**Mandatory Arrears of Interest Settlement Event**" shall have occurred in respect of the Securities if:

(a) a dividend (either interim or final) or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Junior Securities, except where such dividend, distribution or payment was contractually required to be resolved upon, declared, paid or made under the terms of such Junior Securities;

(b) a dividend (either interim or final) or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Parity Securities, except where such dividend, distribution or payment was contractually required to be resolved upon, declared, paid or made under the terms of such Parity Securities (including, without

limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities);

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

(d) the Issuer or any Subsidiary has repurchased, purchased, redeemed or otherwise acquired any Parity Securities, except where (x) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Parity Securities (including, without limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities) or (y) such repurchase, purchase, redemption or acquisition is effected as a public tender offer or public exchange offer at a purchase price per security which is below its par value.

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

Further Issuances The Issuer may, without the consent of the Securityholders or Couponholders, create and issue further securities having the same terms and conditions as the NC 6 Securities or the NC 9 Securities in all respects (or in all respects save for the first payment of interest) and so that the same shall be consolidated and form a single series with the relevant Securities.

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

Use of Proceeds	The estimated net proceeds of the issuance of the Securities, after deduction of commissions, fees, and estimated expenses, will be used by the Issuer for general corporate purposes, including refinancing of existing hybrid bonds.
Ratings	The Securities are expected to be rated Baa3 by Moody's, BB+ by S&P and BBB- by Fitch. Each of Moody's, S&P and Fitch is established in the European Union and is registered under the CRA Regulation. As such, each of Moody's, S&P and Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (*https://www.esma.europa.eu/supervision/credit-rating-agencies/risk*) in accordance with the CRA Regulation.
Optional Redemption	The Issuer may redeem all (but not some only) of the Securities on: (i) any date during the period commencing on (and including) the NC 6 Securities First Par Call Date and ending on (and including) the NC 6 Securities First Reset Date or on any Interest Payment Date thereafter; and (ii) any date during the period commencing on (and including) the NC 9 Securities First Par Call Date and ending on (and including) the NC 9 Securities First Reset Date or upon any Interest Payment Date thereafter, in each case at their principal amount together with any accrued interest up to (but excluding) the date fixed for redemption and any outstanding Arrears of Interest. The Issuer may also redeem all (but not some only) of the relevant Securities at any time at the applicable Early Redemption Price (as defined below) upon the occurrence of an Accounting Event, a Rating Methodology Event, a Tax Deductibility Event or a Withholding Tax Event. The Issuer may also redeem all (but not some only) of the Securities on any day prior to the relevant First Par Call Date at the applicable Make-whole Redemption Amount. In the event that at least 75 per cent. of the aggregate principal amount of the relevant Securities issued on the Issue Date has been purchased by or on behalf of the Issuer or a Subsidiary (as defined in the relevant Terms and Conditions of the Securities) and has been cancelled (a "**Substantial Repurchase Event**"), the Issuer may redeem all (but not some only) of the relevant Securities in whole but not in part at any time, at the applicable Early Redemption Price. See "*Terms and Conditions of the NC 6 Securities – Redemption and Purchase*" in respect of the NC 6 Securities and "*Terms and Conditions of the NC 9 Securities – Redemption and Purchase*" in respect of the NC 9 Securities. The "**Early Redemption Price**" will be determined as follows:

(i) in the case of a Withholding Tax Event or a Substantial Repurchase Event at any time, 100 per cent. of the principal amount of the relevant Securities; or

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

(a) 101 per cent. of the principal amount of the relevant Securities then outstanding if the Early Redemption Date falls prior to the relevant First Par Call Date; or

(b) 100 per cent. of the principal amount of the relevant Securities then outstanding if the Early Redemption Date falls on or after the relevant First Par Call Date,

in each case together with any accrued interest up to, but excluding, the relevant Early Redemption Date and any outstanding Arrears of Interest. See Condition 6 – "*Redemption and Purchase*" of the Terms and Conditions of the NC 6 Securities in respect of the NC 6 Securities and Condition 6 – "*Redemption and Purchase*" of the Terms and Conditions of the NC 9 Securities in respect of the NC 9 Securities.

Intention Regarding Redemption and Repurchase of the Securities

The following paragraph does not form part of the relevant Terms and Conditions of the Securities.

The Issuer intends (without thereby assuming a legal obligation) that it will redeem or repurchase the relevant Securities only to the extent that the part of the aggregate principal amount of the relevant Securities to be redeemed or repurchased which was assigned "equity credit" (or such similar nomenclature used by S&P from time to time) at the time of the issuance of the relevant Securities does not exceed such part of the net proceeds received by the Issuer or any Subsidiary prior to the date of such redemption or repurchase from the sale or issuance of securities by the Issuer or such Subsidiary to third-party purchasers (other than group entities of the Issuer) which is assigned by S&P "equity credit" (or such similar nomenclature used by S&P from time to time), at the time of sale or issuance of such securities (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the relevant Securities), unless: (i) the rating (or such similar nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating assigned to the Issuer on the date of the most recent hybrid security issuance (excluding any refinancing) which was assigned by S&P an "equity credit" similar to the relevant Securities and the Issuer is of the view that such rating would not fall below this level as a result of such redemption or repurchase, or (ii) in the case of a repurchase or redemption, taken together with relevant repurchases or redemptions of hybrid securities of the Issuer, such repurchase or redemption is less than 10 per cent. of the aggregate principal amount of the Issuer's hybrid

	securities in any period of 12 consecutive months and, in any case, less than 25 per cent. of the aggregate principal amount of the Issuer's hybrid securities in any period of 10 consecutive years, or (iii) the relevant Securities are redeemed pursuant to a Tax Deductibility Event, a Withholding Tax Event, an Accounting Event, a Substantial Repurchase Event or a Rating Methodology Event, or (iv) the relevant Securities are not assigned an "equity credit" by S&P (or such similar nomenclature then used by S&P) at the time of such redemption or repurchase, or (v) in the case of a repurchase, such repurchase relates to an aggregate principal amount of relevant Securities which is less than or equal to the excess (if any) above the maximum aggregate principal amount of the Issuer's hybrid capital to which S&P then assigns equity content under its prevailing methodology; or (vi) such redemption or repurchase occurs on or after the Reset Date falling on 14 January 2052 in the case of NC 6 Securities and on 14 January 2055 in the case of NC 9 Securities.
Liquidation Event Date	There are no events of default in relation to the Securities. On the Liquidation Event Date, the Securities will become due and payable at an amount equal to their principal amount, together with any outstanding interest accrued up to (but excluding) the Liquidation Event Date and any outstanding Arrears of Interest. On or following the Liquidation Event Date, no payments will be made in relation to the Junior Securities of the Issuer before all amounts due, but unpaid, on the Securities have been paid by the Issuer. On or following the Liquidation Event Date, the Trustee at its sole discretion may (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) (i) institute steps in order to obtain a judgment against the Issuer for any amounts due in respect of the Securities, including the institution of Insolvency Proceedings against the Issuer and (ii) file a proof of claim and participate in any Insolvency Proceedings or proceedings for the liquidation, dissolution or winding-up of the Issuer (in which Insolvency Proceedings, liquidation, dissolution or winding-up the Securities shall immediately become due and payable at their principal amount together with any accrued but unpaid interest up to (but excluding) the date on which the Securities become so due and payable and any outstanding Arrears of Interest).
Meetings of Securityholders	Each Trust Deed and the relevant Terms and Conditions of the Securities contain provisions for convening meetings of the relevant Securityholders to consider any matter affecting their interests. These provisions permit defined majorities to bind all relevant Securityholders, whether or not they are present at the meeting, and all relevant Couponholders.

Modification and Waiver	The Trustee may agree, without the consent of the relevant Securityholders or relevant Couponholders, to any modification (subject as set out in the relevant Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the relevant Securities or the relevant Trust Deed, in the circumstances and subject to the conditions described in Condition 13.3 of the relevant Terms and Conditions of the Securities.
Substitution	The Trustee may, without the consent of the relevant Securityholders or relevant Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under Condition 13.2) as the principal debtor under the relevant Securities, the relevant Coupons and the relevant Trust Deed of another company, in the circumstances and subject to the conditions described in Condition 13.2 of the relevant Terms and Conditions of the Securities.
Exchange or Variation	If at any time after the Issue Date the Issuer determines that a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or an Accounting Event has occurred and is continuing, and has provided the Trustee with the relevant certificate and opinion, or in the case of Condition 6.5 only, the Rating Agency Confirmation, pursuant to Conditions 6.3, 6.4, 6.5 or 6.6 (as applicable), then the Issuer may, without any requirement for the consent or approval of the Securityholders or Couponholders and subject to the pre-conditions set out in Condition 7.2, which include that the terms of the exchange or variation, in the sole opinion of the Issuer (acting reasonably) are not prejudicial to the interests of the Securityholders, and subject to its having satisfied the Trustee immediately prior to the giving of any notice referred to in Condition 7 that the provisions of such Condition have been complied with and having given not less than 10 nor more than 60 Business Days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 12 (*Notices*), to the relevant Securityholders (which notice shall be irrevocable), as an alternative to an early redemption of the relevant Securities at any time (i) exchange the Securities or (ii) vary the terms of the Securities, so that after such exchange or variation the relevant Securities remain or become, as the case may be, eligible for the same or (from the perspective of the Issuer) more favourable tax, accounting or ratings treatment than the treatment to which they were entitled prior to the relevant event occurring.
Transfer and Selling Restrictions	There are restrictions on the offer, sale and transfer of the Securities in the EEA, the United States, the UK, Singapore and Italy and such other restrictions as may be required in connection with the offering and sale of the Securities. See "*Subscription and Sale*".

Taxation; Additional Amounts

All payments of principal and interest in respect of the relevant Securities and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future Taxes imposed or levied by or on behalf of any Tax Jurisdiction, unless such withholding or deduction of the Taxes is required by law. In such event, the Issuer will pay (subject to Condition 8) such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the relevant Securityholders and relevant Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the relevant Securities or, as the case may be, or the relevant Coupons in the absence of such withholding or deduction.

Notwithstanding the above, no Additional Amounts will be payable in relation to any payment in respect of any Security or Coupon:

(a) presented for payment: (i) in any Tax Jurisdiction; or (ii) by or on behalf of a holder who is liable for such Taxes in respect of such Security or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Security or Coupon; or (iii) by or on behalf of a holder who would be able to avoid such withholding or deduction making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence, but fails to do so; or (iv) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an Additional Amount on presenting the same for payment on such thirtieth day assuming that day to have been a Presentation Date; or

(b) in relation to any payment or deduction on account of *imposta sostitutiva* pursuant to Decree No. 239 as amended, supplemented and/or replaced from time to time or, for the avoidance of doubt, Italian Legislative Decree No. 461 of 21 November 1997 as amended, supplemented, and/or replaced from time to time ("**Decree No. 461**"); or

(c) in all circumstances in which the procedures set forth in Decree No. 239 in order to benefit from a tax exemption have not been met or duly and timely complied with; or

(d) in the event of payment by the Issuer to a non-Italian resident Securityholder, to the extent that the Securityholder is not listed under Article 6 of Decree No. 239 and/or is resident in a country which does not allow for a satisfactory exchange of information with the Italian authorities; or

(e) any combination of the above.

	Notwithstanding anything to the contrary contained herein, the Issuer (and any other person making payments on behalf of the Issuer) shall be entitled to withhold and deduct any amounts required to be deducted or withheld pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to (i) Sections 1471 through 1474 of the Code, or (ii) any regulations thereunder or official interpretations thereof, or (iii) an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof, or (iv) any law implementing such an intergovernmental agreement (any such withholding or deduction, a "**FATCA Withholding**"), and no person shall be required to pay any additional amounts in respect of FATCA Withholding.
Form and Denomination	The Securities will be issued in bearer form in denominations of €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000.
Governing Law	The relevant Trust Deed, the relevant Securities and the related Coupons and any non-contractual obligations arising out of or in connection with the relevant Trust Deed, the relevant Securities and the Coupons are governed by, and shall be construed in accordance with, English law, except for Conditions 3.1 and 3.2, concerning status and subordination of the relevant Securities and the Coupons, which shall each be governed by Italian law. Condition 13.1 and the provisions of the relevant Trust Deed concerning the meeting of relevant Securityholders and the appointment of a joint representative of such Securityholders (*a rappresentante comune*) in respect of the Securities are subject to compliance with Italian law.
Trustee	BNY Mellon Corporate Trustee Services Limited
Principal Paying Agent and Agent Bank	The Bank of New York Mellon, London Branch
Listing	This Offering Circular has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Regulation, as meeting the requirements imposed under Irish and European Union law pursuant to the Prospectus Regulation. Application has been made to Euronext Dublin for the Securities to be admitted to its Official List and trading on its regulated market. Application may also be made to Borsa Italiana for the Securities to be admitted to listing and trading on the MOT. The Central Bank of Ireland has been requested to provide a certificate of approval and a copy of this Offering Circular to the relevant competent authority in the Republic of Italy.
Security Codes	The ISIN is XS3271042098 and the Common Code is 327104209 for the NC 6 Securities and the ISIN is

	XS3271042254 and the Common Code is 327104225 for the NC 9 Securities.
Risk Factors	Investing in the Securities involves substantial risks. In evaluating an investment in the Securities, you should carefully consider all of the information provided in this Offering Circular and, in particular, the specific factors set out under "Risk Factors" beginning on page 12.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Securities. Most of these factors are contingencies which may or may not occur.

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

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Securities, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Securities may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it and which it may not currently be able to anticipate. In addition, if any of the following risks, or any other risk not currently known, actually occur, the trading price of the Securities could decline and Securityholders may lose all or part of their investment. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular including any document incorporated by reference hereto and reach their own views, based upon their own judgement and upon advice from such financial, legal, tax and other professional advisers as they see fit, prior to making any investment decision.

References to the "relevant Securities" are to the NC 6 Securities and the NC 9 Securities, respectively and references to the "relevant Terms and Conditions of the Securities" and the "relevant Conditions" are references to Conditions under "Terms of the NC 6 Securities" and "Terms of the NC 9 Securities", respectively. Words and expressions defined in the relevant Terms and Conditions of the Securities or elsewhere in this Offering Circular have the same meanings in this section.

FACTORS THAT MAY AFFECT THE ISSUERS' ABILITY TO FULFIL THEIR OBLIGATIONS UNDER THE SECURITIES

1. Risks related to the business activities and industries of the ENEL Group

ENEL's ability to successfully execute the Strategic Plan is not assured.

On 17 November 2024, ENEL's Board of Directors approved the Group's 2025-2027 (the "**Strategic Plan**"), which contains the strategic guidelines and growth objectives of the Group for the 2025-2027 period.

For the 2025 to 2027 period, the Group plans for a total gross capex of approximately Euro 43 billion through increased investments in grids where fair and stable regulatory frameworks apply, including by leveraging on access to European grants as well as through a less capital intensive and less risky approach in renewables. The Group plans to focus its investments where returns are visible, regulatory frameworks are remunerative and macro-economic as well as political environments are stable, with 52% of gross capex to be invested in Italy, 23% in Iberia, 19% in Latin America and 6% in North America.

The Strategic Plan envisages the objective of ENEL's management to implement, for the 2025 to 2027 period, a simple and appealing dividend policy with Euro 0.46 fixed minimum annual dividend per share (DPS), with potential upside up to a 70% payout on net ordinary income.

The Strategic Plan and the projections contained therein are based on a series of assumptions, including among others, on the evolution of the regulatory frameworks applicable to the ENEL Group, trends in relevant macroeconomic variables, the possible evolution of demand and prices for electricity, gas and fuels and average investment costs of power plants in the markets in which the ENEL Group operates.

In the event that one or more of the Strategic Plan's underlying assumptions proves incorrect or events evolve differently than as contemplated in the Strategic Plan (including because of events affecting the ENEL Group that may not be foreseeable or quantifiable, in whole or in part, as of the date hereof), the anticipated events and results of operations indicated in the Strategic Plan (and in this Offering Circular) and in the assumptions underlying the targets and projections could differ from actual events and results of operations. Moreover, several factors affecting ENEL's ability to reach the targets set in the Strategic Plan are not within its control.

The Group's funding strategy, which is also linked to sustainable instruments, envisages an overall decrease of the cost of debt during the Strategic Plan's 2025-2027 period. Whether this can be achieved will depend, in large part, on the interest rate and other market developments and, with reference to its outstanding sustainability-linked instruments, also on the achievement of certain sustainability targets. However, ENEL will need to secure financing for a significant portion of the Group's expected capital expenditure and, in the event of a significant variation of certain assumptions relating to industrial and macroeconomic variables, such financing might become more expensive than expected.

The Strategic Plan should not be unduly relied upon in any way by an investor in making an investment decision with respect to the Securities. Furthermore, this Offering Circular contains certain statements and estimates regarding the ENEL Group's competitive position in certain markets, including with respect to its pre-eminence in particular markets. Such statements are based on the best information available to the ENEL Group's management as of the date hereof. However, the ENEL Group faces competitive risks and its market positions may diverge from those expressed herein as a result of a variety of factors outside of its control. Any failure by the ENEL Group to execute its Strategic Plan or maintain its market positions could have a material adverse effect upon the ENEL Group, its business prospects, its financial condition and its results of operations.

The Group operates under time-limited concessions in order to conduct many of its business activities.

ENEL Group companies hold concessions for the operation of the Group's electricity distribution networks as well as hydroelectric and geothermal power plants in Italy.

As to the **energy distribution** network in Italy, it is operated by an ENEL Group's company under concessions that are currently set to expire in 2030 pursuant to Legislative Decree no. 79 of 1999, as amended, which contains, *inter alia*, the main legal framework in this field. The duration of concessions can be remodulated for a period not exceeding twenty years subject to the submission and approval of extraordinary investment plans and the payment of a charge in accordance with article 1, paragraphs 50-53, of Law no. 207 of 2024. Details of the remodulation proceeding, such as terms and modalities of the submission of the extraordinary investment plan, fees and the evaluation criteria will be regulated by a decree of the Ministry of the Environment and Energy Security in agreement with the Ministry of the Economy and Finance, upon proposal of the Regulatory Authority for Energy, Networks and Environment (*Autorità di Regolazione per Energia, Reti e Ambiente, "***ARERA**") and in accordance with the so-called unified conference (State-Regions-local Authorities). As of the date of this Offering Circular, the aforementioned decree is still to be issued.

As to **geothermal power plants** in Italy, these are operated under concessions that are currently scheduled to expire in 2026 pursuant to Legislative Decree no. 22 of 2010, as amended, which contains the main legal framework in this field. The duration of such concessions can be remodulated (including a 20-year extension), subject to the approval by the relevant Region of a multi-year investment plan to be submitted by the concessionaire pursuant to article 16-*bis* of Legislative Decree no. 22 of 2010 (introduced by Law-

Decree no. 181 of 2023, ratified by Law no. 11 of 2024). In this context, the Tuscany Region has recently approved a multi-year investment plan submitted by ENEL envisaging, *inter alia*, a 20-year extension of the six concessions held by ENEL in Tuscany. As of the date of this Offering Circular, the remodulation process has not been completed yet, pending the issuance by the Tuscany Region of decrees securing the remodulation for each concession.

As to large-scale **hydroelectric plants** in Italy, these are operated under administrative concessions that are currently set to expire in 2029 pursuant to Legislative Decree no. 79 of 16 March 1999, as amended. Article 12 of the aforementioned Legislative Decree contains the main legal framework in this field. Such framework includes rules for the award through public tender procedures of concessions upon their expiration, the right of the outgoing concessionaire to a termination indemnity concerning the concession assets, and a concession fee structure composed of a fixed component and a variable component and requiring concessionaires to supply, free of charge, the Regions with a quota of the electricity produced. Italian Regions may enact laws within the national legal framework. Several Italian Regions have enacted laws and regulations better detailing, *inter alia*, the calculation criteria of the concession fee structure. ENEL - arguing that such concession fee structure (introduced by Law-Decree no. 135 of 2018, ratified by Law no. 12 of 2019 amending Legislative Decree no. 79 of 1999) should not apply to concessions currently in force - has challenged the regional regulations before the competent judicial authorities and objected also the related payment demands. Such legal proceedings are still pending[1].

Endesa's hydroelectric power plants in Spain also operate under administrative concessions, with expiry dates varying and extending up to the year 2067.

Any of the ENEL Group's concessions, including concessions not specifically discussed above, may not be renewed following their expiry or could be renewed on economic terms that are less advantageous or more burdensome for ENEL Group. In either case, the ENEL Group could experience material adverse effects on its business prospects, results of operations or financial condition as a result.

The Group is exposed to risks related to the issuance and revocation of permits, concessions and administrative authorisations for the development, construction and operation of plants.

The development, construction and operation of electric power production plants is subject to complex administrative procedures, which require the issuance of numerous permits from both national and local relevant authorities.

Procedures for obtaining authorisations vary by country and requests may be rejected by the relevant authorities for various reasons or approved with delays which may be significant. The process of obtaining permits can be further delayed or hindered by changes in national or other legislations or regulations or by opposition from communities in the areas affected by a project.

Any failure or delay to obtain permits, concessions and/or necessary authorisations for the development, construction and operation of power plants, and any revocation, cancellation or non-renewal of permits and/or authorisations in relation to existing plants, and any objections by third parties to the issuance or renewal of these permits, concessions and authorisations, may negatively impact the Group's ability to meet its development objectives in specific areas or technologies (or constrain the Group to modify such

[1] For further details on these proceedings, please see note 8 "*Contingent assets and liabilities*" of 2025 ENEL Interim Financial Report at 30 September 2025, note 55 "*Contingent assets and liabilities*" of ENEL's Annual Report 2024 and note 36 "*Contingent assets and liabilities*" of ENEL's 2025 Half Year Interim Financial Report, each incorporated by reference in this Offering Circular (see "*Incorporation by Reference*").

objectives), and may have material adverse effects on the Group's business, financial condition and results of operations.

The Group faces risks relating to the variability of weather conditions, seasonality and extreme weather events.

Electricity and natural gas consumption levels are highly dependent on climatic factors. Changes in weather conditions can result in significant changes in energy demand and the ENEL Group's sales mix, ultimately impacting turnover and performance of the ENEL Group. More specifically, in warmer periods of the year, gas sales tend to decline, while during periods in which factories are closed for holidays, electricity sales tend to decline. In addition, certain weather conditions (for example, low wind or rain levels) negatively affect the ENEL Group's energy production from renewable resources. In particular, the ENEL Group's hydroelectric generation business is dependent upon hydrological conditions prevailing from time to time in the geographic regions where the relevant hydroelectric generation facilities are located. See also "– *The Group is exposed to risks connected with climate change*" below. Hydroelectric generation performance tends to be higher during the winter and early spring in the presence of more favorable seasonable weather conditions. On the other hand, adverse hydrological conditions (such as prolonged periods of droughts) can negatively affect ENEL's hydroelectric generation business, with potential material adverse effects on the ENEL Group's results of operations. Also, adverse weather conditions can affect the regular operation of power plants and the transmission of electricity through the power grid. The Group is exposed to the risk of damage to assets and infrastructures caused by extreme weather events or natural disasters and, consequentially, to the risk of service disruptions and prolonged unavailability of such assets.

The Group adopts sophisticated monitoring and mitigation measures consistent with internationally recognised Environmental Management Systems (EMS). Although the Group adopts initiatives to monitor, assess and quantify the impacts of the variability of weather, seasonal conditions and extreme climatic events on the Group, unforeseen significant changes in such phenomena, and the occurrence of one or more of the events described above or other similar events, could adversely affect the ENEL Group's business prospects, results of operations and financial condition.

The Group is exposed to risks connected with climate change.

Climate change may affect the ENEL Group through two channels: physical variables and transition scenario changes.

With regard to the risks related to climate change associated with physical variables, and taking the IPCC (*The Intergovernmental Panel on Climate Change*) pathways as points of reference, ENEL conducts, on a continuous basis, analyses on the trends in the following variables and associated operational and industrial phenomena with potential risks: (i) changes in mean temperatures and potential increases and/or decreases in energy demand; (ii) changes in mean rainfall, temperature and snow levels with potential increases and/or decreases in hydroelectric generation; and (iii) changes in mean solar radiation and wind with potential increases and/or decreases in solar and wind generation. These analyses are ongoing. According to the scenarios used, significant, chronic changes in the variables analysed, including in the case of positive changes, are expected to have a material impact on the Group, mainly over the medium-long term. In addition to chronic trends, the frequency and impact of acute events have also been looked at, in terms of extreme events' potential to cause unexpected physical damage to assets and business interruption that could have a material impact.

With regard to the risks related to climate change associated with transition toward a more sustainable development, ENEL considers that the following developments may have an impact on ENEL Group's operations and the realisation of its medium- and long-term strategic objectives:

- introduction of policies and regulations for promoting transition away from fossil fuels, such as the Paris Agreement, laws introducing stricter emission limits, and/or incentives altering the generation mix not driven solely by price considerations;

- increase in the level of competition and convergence of prospects offered by diverse energy sources and technologies, with opportunities to access new markets, services and/or partnerships or for the entry of new players in the energy industry; and

- regulatory changes with a view to integrating new digital and renewable technologies and to driving infrastructure resilience with potential introduction of new mechanisms of remuneration tied to environmental performance and innovation.

The Group faces risks relating to malfunctions and/or interruptions in service at its facilities and other risks inherent to the nature of the Group's operations.

The ENEL Group is continuously exposed to the risk of malfunctions and/or interruptions in service resulting from events outside of the ENEL Group's control, including accidents and natural disasters (such as earthquakes, severe storms and major unfavourable weather conditions), or from defects or failures in the Group's machinery or control systems or components of them. It is also subject to the risk of casualties or other similar extraordinary events. To the extent that any such incident puts the ENEL Group's employees or any other person at harm, the ENEL Group may also be subject to civil and criminal liabilities and suffer reputational damages. Any such events could result in economic losses, cost increases, or the necessity to revise the ENEL Group's investment plans. In addition, because of the nature of the industrial activities conducted at the ENEL Group's premises, there is an inherent risk of injury or death to its employees and/or other people in the course of the ENEL Group's operations, including in connection with the potential exposure to hazardous substances, notwithstanding the safety precautions that are taken.

Service interruptions, malfunctions or casualties or other significant events could result in the ENEL Group being exposed to litigation, which could generate obligations to pay damages. Although the ENEL Group has insurance coverage, such coverage may prove insufficient to fully offset the cost of paying such damages and other expenditures attributable to these incidents. Therefore, the occurrence of any one or more of the events described above, or other similar events, could have a material adverse effect on the ENEL Group's business prospects, results of operations and financial condition.

The Group is exposed to disruptions in its information technology systems and to cyber-attacks.

The Group depends on its information technology and data processing systems for the efficient operation of its business, including the management of relationships with customers and other parties. A significant malfunction or disruption in the operation of its financial control, risk management, accounting, customer service and other data processing systems could disrupt the Group's business and adversely impact its ability to compete effectively. The Group also uses a significant number of IT/OT (*Information Technology/Operational Technology*) systems, services and other technologies supplied by third parties. If suppliers fail to take adequate security measures, they can become an "entry point" for malicious actors or be themselves the cause of vulnerability, with potentially devasting consequences for the entire

organisation, in operational, economic, reputational and regulatory terms. Both proprietary and third-party systems are susceptible to malfunctions and interruptions due to equipment damage, power outages, and a range of other hardware, software and network problems. Breakdowns and interruptions in the IT/OT systems could jeopardise the Group's operations, causing errors in the execution of transactions, inefficiencies and delays in the processing of transactions and information, loss of customers, production breakdowns and other business interruptions.

In addition to supporting its operations, the Group uses its information systems to collect and store confidential and sensitive data, including information about its business, clients and employees. As the Group's technology continues to evolve, it is anticipated that the Group will collect and store even more data in the future, and that its systems will increasingly use remote communication features that are susceptible to both wilful and unintentional security breaches. In the event of a data breach involving unlawful third parties access to (or otherwise compromising the confidentiality, availability or integrity of) personal information, the Group is required, in compliance with data protection legislation in place in the jurisdictions where the Group operates, to take a number of actions, including notifying the competent supervisory authority and, in certain circumstances, the data owners. Accordingly, data breaches may subject the Group to lawsuits, fines and other means of regulatory enforcement, and may oblige the Group to put in place correctional measures that may be timely and/or costly to implement.

The organisational complexity of the Group exposes the Group's digital assets to the risk of cyber-attacks, or threats of intentional disruption, which are increasing in terms of sophistication and frequency, also due to the widespread use of AI (*Artificial Intelligence*)-powered tools and techniques by malicious actors, that could enable faster and more automated and complex attacks. In order to mitigate these risks, both on IT and OT systems, ENEL has adopted a "Cyber Security Framework" to guide and manage cyber security processes, which provides for the involvement of the relevant business areas, compliance with legal requirements and recommendations and the use of the best available technologies, and has created its own Organisational Model for implementing the Cyber Security Framework's processes. Despite these measures, the Group may still remain to some degree subject to cyber-attacks and other cyber security threats. In such circumstances, the Group could be unable to continue to conduct its business in an effective manner, or unable to prevent or respond promptly and adequately to (or unable to mitigate the adverse effects of) breakdowns or interruptions in its IT/OT infrastructure, with possible adverse effects on its reputation, financial condition, assets, business and results of operations.

ENEL is exposed to risks relating to recent and potential future acquisitions and sales, joint ventures and other corporate transactions.

ENEL and its subsidiaries have engaged in the past, and will continue to engage in the future, in significant corporate transactions involving the acquisitions and disposals of participations, businesses or assets, and/or joint ventures or partnerships, the impact of which is difficult to predict. Recent corporate transactions include:

- in February 2025, Endesa Generación S.A. finalised the acquisition of the entire share capital of Corporación Acciona Hidráulica S.L., owner of a portfolio of hydro plants in northeastern Spain, from Corporación Acciona Energías Renovables S.A., a company of the Acciona Group;

- in May 2025, ENEL's subsidiary Enel Produzione S.p.A. ("**ENEL Produzione**") completed the sale to Energetický a průmyslový holding a.s ("**EPH**") of the Group's residual interest in Slovenské Elektrárne, a.s., further to exercise by EPH of the early call option set forth in the agreements previously signed between the parties;

- in May 2025, Enel Green Power North America signed a swap agreement with Gulf Pacific Power to increase to 51% its indirect equity stake in a number of corporate vehicles owning wind farms, in exchange for its stakes in other corporate vehicles owning wind farms and a cash consideration. Upon the closing of the transaction, the ENEL Group will increase its consolidated net installed capacity in the United States by 285 MW;

- in July 2025 Enel Green Power España S.L. ("**EGPE**"), a Group company controlled through Endesa, finalised an agreement to buy 37.5% and 25% of the capital of Cetasa (Compañía Eólica de Tierras Altas S.A.) from Caja Rural de Soria and Caja Rural de Navarra, respectively. Cetasa is the owner of a 99 MW portfolio of operating wind plants in the province of Soria, plus a further 30 MW in wind projects under development. Following the agreement, EGPE increased its interest in Cetasa to 100%;

- in October 2025, EGPE closed the sale to Masdar España Renewables 1 S.L.U. (Abu Dhabi Future Energy Company) of a non-controlling interest of 49.99% of the share capital in EGPE Solar 2, a vehicle encompassing four Endesa photovoltaic assets operating in Spain, for an overall installed capacity of 446 MW.

For further information on relevant acquisitions and sales of the Group in the first nine months of 2025, see the section "*Significant events in the 3rd Quarter 2025"* of ENEL's 2025 Interim Financial Report at 30 September 2025.

With respect to both past and future acquisitions and sales, the Group may be exposed to liabilities not detected during the due diligence process or not covered by contractual provisions. Furthermore, other assessments of the acquired business or assets made at the time of the initial investment could prove to be incorrect.

Acquisitions, joint ventures and partnerships entail an execution risk – the risk that ENEL will not be able to effectively integrate the acquired assets or business so as to achieve the benefits and synergies expected from such transactions. In addition, they entail a financial risk – the risk of not being able to recover the costs of acquired assets, business or investment. The ENEL Group may also incur unanticipated costs or assume unexpected liabilities and losses in connection with the companies, assets or business it acquires.

Any of the above circumstances could have an adverse effect on the Group's financial condition, business or results of operations.

The financing agreements of the ENEL Group may contain restrictive covenants that limit its operations and whose breach can lead to (cross) default and acceleration.

Many agreements relating to the financial indebtedness of the Group (including term loans, revolving credit agreements and bonds) contain covenants that must be complied with by the borrowers (ENEL and the other companies of the Group) and, in certain instances, by ENEL, as guarantor. The failure to comply with any of these covenants could constitute a default under the relevant agreement, as well as cross default and acceleration under other financing agreements that contain cross default or cross-acceleration provisions, which could have a material adverse effect upon the Group, its business prospects, its financial condition or its results of operations. In addition, covenants such as "negative pledge" clauses, "material change" clauses and covenants requiring the maintenance of particular financial ratios or credit ratings, constrain the Group's operating and financial ability, including by impacting its ability to acquire or dispose of assets or to incur new debt.

The Group faces risks related to the potential liabilities resulting from energy production through nuclear power plants.

The Group is in the business of nuclear power generation in Spain as a result of the Group's interests in Endesa.

Although ENEL believes that Endesa's nuclear power plants use technologies that are internationally recognised and that they are managed according to international standards, ownership and operation of nuclear power plants nonetheless exposes the Group to a series of inherent risks, including those relating to the manipulation, treatment, disposal and storage of radioactive substances and the potential adverse effects thereof on the environment and human health.

Under current Spanish law the Group may incur liabilities of up to €1,200 million for nuclear damages caused during the storage, transformation, management, use or transportation of nuclear substances, regardless of willful misconduct or negligence. Liability may also be incurred for nuclear damages caused by exceptional natural catastrophes.

Accidents or other severe incidents at nuclear power plants (including resulting from terrorist attacks), or challenges by non-governmental groups or organisations, could have a material adverse effect on the business prospects, reputation, results of operations and financial condition of ENEL and the ENEL Group.

Potential risks also arise in relation to the decommissioning of nuclear power plants.

The National Integrated Energy and Climate Plan ("**PNIEC**") for the period 2021-2030 that was approved by the Spanish Council of Ministers in March 2021 includes an orderly decommissioning closure of nuclear power plants in Spain between 2027 and 2035. The updated PNIEC for the 2023-2030 period that was published in September 2024 does not include any changes in nuclear matters compared to the previous version. Notwithstanding the above, the companies that own the Almaraz nuclear power plant, the first reactor scheduled to close in 2027, submitted a proposal to extend the plant's operation until 2030, citing reasons of supply security and stability of the electrical system. Throughout 2025, there has been political pressure to reconsider the closure of the Spanish nuclear fleet. Any future changes to the PNIEC could impact the remaining useful life of Endesa's nuclear facilities and potentially affect the timeline and quantum of the expenditure associated with decommissioning.

2. Financial Risks

The ENEL Group is burdened by significant indebtedness and it must generate sufficient cash flow to service its indebtedness.

As of 30 June 2025, the ENEL Group's net financial debt was equal to €55,447 million, compared to €55,767 million as of 31 December 2024. The ENEL Group's net financial debt is reported in accordance with Guideline 39, issued on 4 March 2021 by ESMA, applicable as from 5 May 2021, and with alert notice no.5/2021 issued by CONSOB on 29 April 2021.

As of 30 June 2025, the repayment schedules of the ENEL Group's long-term debt provided for the repayment of €4,375 million in 2025 and €8,659 million in 2026. The ENEL Net Short-Term Financial Debt (including current maturities of long-term debt) showed a net debtor position and amounted to €1,243 million as of 30 June 2025, compared to a net creditor position which amounted to €1,621 million as of 31 December 2024. Any failure by the Group to make any of its scheduled debt repayments, or to

reschedule such debt on favourable terms, would have a material adverse effect on the Group, its business prospects, its financial condition and its results of operations.

Changes in the level of liquidity available to ENEL may adversely affect the Group's results of operations and financial condition.

The ENEL Group may not be able to meet its payment commitments or otherwise it may be able to do so only on unfavourable conditions. This may materially and adversely affect the ENEL Group's results of operations and financial condition should the ENEL Group be obliged to incur extra costs to meet its financial commitments or, in the worst-case scenario, could threaten the ENEL Group's future as a going concern and lead to insolvency. The ENEL Group's approach to liquidity risk management is to maintain a level of liquidity which is adequate for the ENEL Group to meet its payment commitments over a specific period without resorting to additional sources of financing and to have a prudential liquidity buffer sufficient to meet unexpected cash outlays. In addition, as a measure intended to ensure the ability to meet its medium-long-term payment commitments, the ENEL Group pursues a borrowing strategy aimed at diversifying its funding sources and maintaining a balanced maturity profile of its debt. However, these measures may not be sufficient to provide adequate cover of such risk. To the extent they are not, this may adversely affect ENEL Group's results of operations and financial condition.

ENEL conducts its business in several different currencies and is exposed to exchange rate risks, particularly in relation to the rate of exchange between the Euro and the U.S. dollar.

The Group is exposed to exchange rate risks in relation to cash flows connected to the purchase and/or sale of fuels and electricity on the international markets, cash flows related to investments or other financial income or expenses denominated in foreign currencies, such as dividends deriving from non-consolidated foreign subsidiaries, cash flows related to the purchase or sale of equity participations, and indebtedness in currencies different from those used in the countries where the Group has its principal operations. The ENEL Group has significant exposure to fluctuations of the Euro against the U.S. dollar and the currencies of the South American countries in which the ENEL Group is present, which have recently been subject to market volatility. It is worth highlighting that such exchange rate risk is higher in hyperinflationary economies, such as Argentina where the ENEL Group operates.

With reference to the transaction risk, which is the risk arising from the revaluation of assets and liabilities by Group companies, the main source of risk is represented by debt denominated in currencies different from the functional currencies of the relevant Group companies that hold the debt. As of 30 June 2025, 45.9% of the Group's long-term debt was denominated in currencies other than euro, compared to 49.2% as of 31 December 2024. Taking into account the hedging transactions, the percentage of such debt not hedged against currency risk amounted to 16.0% as of 30 June 2025, compared to 16.2% as of 31 December 2024. Furthermore, the residual exposure to currencies other than the functional currencies is negligible. Any future significant variations in exchange rates affecting the currencies in which the Group operates and/or failure of the Group's related hedging strategy could materially and adversely affect ENEL's and the Group's financial conditions and results of operations.

Revenues and costs denominated in foreign currencies may be significantly affected by exchange rate fluctuations, which may have an impact on commercial margins (i.e. economic risk), and commercial and financing payables and receivables denominated in foreign currencies may be significantly affected by conversion rates used for profit and loss computation.

Furthermore, because the ENEL Group's consolidated financial statements are expressed in Euro but the financial statements of several subsidiaries are expressed in other currencies, negative fluctuations in exchange rates could adversely affect the value of consolidated foreign subsidiaries' assets, income and equity, with a concomitant adverse effect on the Group's consolidated financial statements (i.e., translation risk). For instance, due to the translation effect, an appreciation of the Euro against the Group's other significant currencies, including the U.S. dollar, would adversely affect the Group's results.

Exchange rate risk is managed in accordance with the ENEL Group's financial risk management policies, which provide for the stabilisation of the effects of fluctuations in exchange rates to avoid such risk. To this end, ENEL implements diversified revenue and cost sources geographically and uses indexing mechanism in commercial contracts. In addition, the ENEL Group has developed operational processes that ensure the appropriate coverage of exposures through hedging strategies, which typically involve the use of financial derivatives and the posting of cash collateral to the Group's hedging counterparties. However, hedging instruments may not be successful in protecting the Group effectively from adverse exchange rate movements in all instances.

Changes in the creditworthiness of the Group's counterparties may adversely affect the Group's business and financial condition.

The ENEL Group is exposed to credit risk deriving from commercial, commodity and financial operations. Credit risk is intended as the possibility that the ENEL Group's counterparties might not be able to discharge all or part of their obligations due to an unexpected change in the counterparties' creditworthiness that impacts the creditor position, such as to lead to the interruption of incoming cash flows and an increase in collection costs (settlement risk), or lower revenue flows due to the replacement of the original transactions with similar transactions negotiated on unfavourable market conditions (replacement risk). Other risks include reputational and financial risks associated with significant exposures to a single counterparty or groups of related customers, or to counterparties operating in the same sector or the same geographical area.

In this connection, the ENEL Group's general policy calls for the application of criteria in all the main regions/countries/business lines for measuring credit exposures in order to promptly identify any deterioration in credit quality of outstanding receivables – determining relevant mitigation actions to implement – and to enable the monitoring and reporting of credit risk exposures at the ENEL Group level. Moreover, in most of the regions/countries/business lines the Group assesses in advance the creditworthiness of each counterparty with which it may establish its largest exposures on the basis of information supplied by independent providers and/or internal models.

In addition, for certain segments of its customer portfolio, the Group also enters into insurance contracts with leading credit bank/insurance companies.

In spite of such risk management policies and insurance coverage, default by one or more significant counterparties of the ENEL Group may adversely affect the ENEL Group's results of operations and financial condition.

A portion of the ENEL Group's indebtedness is subject to floating interest rates, thus subjecting the Group to the risk of adverse interest rate fluctuations.

Interest rate risk derives primarily from the use of financial instruments and manifests itself as unexpected changes in charges on financial liabilities, if indexed to floating rates and/or exposed to the uncertainty of

financial terms and conditions in negotiating new debt instruments, or as an unexpected change in the value of financial instruments measured at

fair value. As of 30 June 2025, the Group's net financial debt was equal to €55,447 million and 23.1% of the Group's gross financial debt in long medium-term financial debt was subject to floating interest rates (compared to 22.4% as of 31 December 2024). Taking into account the hedge accounting of interest rates considered effective pursuant to the IFRS-EU, 17.4% of the Group's gross financial debt was exposed to interest rate risk as of 30 June, 2025 (compared to 15.8% as of 31 December 2024). Any significant increase in interest rates could therefore lead to an increase in the Group's debt service expenses, which would have a material adverse effect on the Group, its business prospects, its financial condition and its results of operations.

The Group mainly manages interest rate risk through the definition of an optimal financial structure, with the dual goal of stabilising borrowing costs and containing the cost of funds. This goal is pursued through the diversification of the portfolio of financial liabilities by contract type, maturity and interest rate. Moreover, the Group has adopted risk management policies that provide for the hedging of interest rate risk exposure in line with limits and targets assigned by the top management of the Group. Hedging activities typically entail the use of derivative instruments aiming at transforming floating rate liabilities into fixed rate liabilities and sometimes require the posting of cash collateral to the Group's hedging counterparties. Nevertheless, these measures do not eliminate in full the Group's exposures to interest rate risk and there can be no assurance that hedging activities will function as intended and, to the extent the Group fails to adequately manage the risks inherent in interest rate volatility, its results of operations may be adversely impacted. In addition, it is possible that the hedging and derivative instruments used by the Group to establish a fixed rate for certain of its floating rate liabilities may lock the Group into interest rates that are ultimately higher than actual market interest rates. Hedging activities could also entail significant costs.

If the Group is required to write down goodwill and other intangible assets, the Group's financial results would be negatively affected.

The Group's statement of financial position as of 30 June 2025 included €28,300 million of goodwill and other intangible assets or 15.8% of the Group's total assets. Such goodwill and other intangible assets have arisen principally in connection with the Group's acquisition of Endesa as well as other businesses, principally in South America.

Goodwill is not amortised but tested for impairment at the reporting unit level. Intangible assets are generally impaired on a straight line basis over their estimated useful life (or, for infrastructure classified as intangible assets, over the term of the contract) but are also tested for impairment at least annually. Goodwill is required to be tested for impairment annually and between annual tests if events or circumstances indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. There are numerous risks that may cause the fair value of a reporting unit to fall below its carrying amount, which could lead to the measurement and recognition of goodwill impairment. These risks include, but are not limited to, adverse changes in legal factors or the business climate, an adverse action or assessment by a regulator, the loss of key personnel, a more-likely-than-not expectation that all or a significant portion of a reporting unit may be disposed of, failure to realise anticipated synergies from acquisitions, a sustained decline in market capitalisation, significant negative variances between actual and expected financial results, and lowered expectations of future financial results. Should the Group be required to write down its goodwill and other intangible assets following an impairment test, the Group's results of operations in the relevant period may be materially and adversely affected.

The Group is exposed to the risk related to the fluctuations of energy commodities and raw materials prices, and disruptions in their supply.

In the ordinary course of business, referring to industrial, commercial and trading activities, the ENEL Group is exposed to adverse price fluctuations of energy commodities (such as electricity, gas, oil, CO_2) and raw materials (such as minerals and metals) and disruptions in their supply based on events outside ENEL's control. The more relevant risks are related to volatility of prices of power, gas, fuel and other commodities.

To contain the effects of fluctuations and stabilise margins, in accordance with the policies and operating limits determined by the Group's governance and leaving an appropriate margin of flexibility to seize any short-term opportunities that may present themselves, ENEL develops and plans strategies that impact the various phases of the industrial process linked to the production and sale of electricity and gas (such as forward procurement and long-term commercial agreements), as well as risk mitigation plans and techniques through the hedging of price risk in line with limits and targets assigned by the top management. Hedging activities typically entail the use of derivative instruments aiming at reducing the risk. Nevertheless, the Group has not eliminated completely its exposures to these risks and, in addition, hedging contracts for the price of power, gas, fuel, other energy commodities and raw materials are available in the market only for limited forward periods, hence not available to protect against adverse price movements in the medium-long term. Consequently, significant variations in power, gas, fuel, other energy commodities and raw materials prices, and any prolonged interruption in supplies, could still have a material adverse effect on the business prospects, results of operations and financial condition of the ENEL Group.

For additional information on the Group's risk management policies and its hedging activities to address commodity price risk, see the paragraph "*Commodity price risk*" at note 47 "*Risk Management*" of ENEL's Annual Report 2024.

A portion of the ENEL Group's indebtedness is linked to sustainability key performance indicators.

A portion of the ENEL Group's outstanding indebtedness is linked to sustainability key performance indicators based on renewable installed capacity or greenhouse gas emissions in respect of which a step up provision may apply, as provided in the relevant terms and conditions of such indebtedness. The failure to meet such sustainability key performance indicators will result in increased interest amounts under such indebtedness, which would increase the Group's cost of funding and which could have a material adverse effect on the Group, its business prospects, its financial condition or its results of operations.

3. Risks relating to macro-economic conditions and country risks

The Group is vulnerable to severe slowdown in power demand as a consequence of industrial sector weaknesses with consequential potential downturn in demand for energy.

The environment in which the ENEL Group operates has been marked by the volatility in macroeconomic conditions worldwide, impacting the levels of consumption and industrial production.

As evidenced by the data provided by transmission system operators, electricity and gas consumption are strongly affected by the level of economic activity in a given country.

The crises in the banking system and financial markets in the past decades, together with other factors, have resulted (and, if such crises recur, could in the future result) in a slowdown in the growth in many of the countries where the ENEL Group operates, such as Italy, Spain, other countries in the EU, the U.K. and the United States. In 2022, the outbreak of the Russian-Ukrainian conflict (see "*—Changes in macro-economic, geo-political and market conditions, globally and in the countries in which the ENEL Group operates, as well as any regulatory changes, may adversely affect the ENEL Group's business, results of operation and financial condition*") and the consequent increase in gas prices and power prices, negatively impacted the electricity demand in European countries. The international macroeconomic environment in 2025 continues to be affected by high uncertainty, fuelled by ongoing geopolitical tensions, instability in energy markets, and increasing trade tensions between the world major economies. These factors continue to impact the GDP growth rates and economic activities of the countries where the Group operates.

In 2024, electricity demand was 312.3 TWh in Italy (an increase of 2.2% compared to 2023), mainly reflecting above-average temperatures in the summer and the resumption of economic activity, with an increase in consumption in the service sector. In Spain, power demand in 2024 amounted to 246.6 TWh increase of 0.7% compared to 2023, thanks in particular to the growth of economic activity.

In the first half of 2025, electricity demand was 152.5 TWh in Italy (+0.3% compared to the first half of 2024), and 124.90 TWh in Spain (a slight increase of 2.5% compared to the first half of 2024).

If these or other economies where the Group operates experience a prolonged period of economic downturn, or if any significant market experiencing a decreased level of economic activities fails to recover or worsen, energy consumption may decrease (or continue to decrease) in such markets, and this could have a material adverse effect upon the ENEL Group, its business prospects, its financial condition and/or its results of operations.

Risks related to the adverse financial and macroeconomic conditions within the Eurozone.

Global economic cycles can significantly affect the Group's activities, primarily through their direct impact on national GDP growth rates. In recent years, the stability of the Eurozone has been challenged by a series of disruptive events, including the COVID-19 pandemic, which caused widespread supply chain disruptions, as well as the ongoing military conflicts between Russia and Ukraine and in the Middle East. Given the Eurozone's geographical proximity to conflict zones and its historical dependence on energy imports, particularly from Russia, spillover effects have adversely influenced both GDP growth and the inflation environment. While the peak of the energy and commodities crisis arising from the outbreak of the conflict between Russia and Ukraine appears to have passed, its legacy effects, including elevated production costs and reduced household purchasing power, continue to weigh on the region's economic momentum. In response to prior inflationary pressures, the European Central Bank and other major central banks have adopted a cautious stance toward monetary easing. Although policy rates have been lowered, the lagged impact of previous tightening continues to weigh on credit conditions and investment activity. Should policy rates remain misaligned with underlying economic fundamentals, risks to financial stability and domestic demand may persist.

Compounding these challenges, the global trade environment has grown increasingly uncertain. In 2025, commercial tensions intensified as the U.S. administration introduced a new wave of sector-specific and broad-based tariff measures affecting multiple trade partners. The potential for retaliatory measures and fragmented global supply chains poses further downside risks to Eurozone exports and cross-border business activities.

In conclusion, the interplay between decelerating growth, evolving monetary policy, and a more fragmented global trade environment continues to generate elevated uncertainty across financial markets and the broader economy, requiring close and ongoing monitoring. These risks are especially significant in Italy and Spain, where a large proportion of the Group's European operations are concentrated. Any economic downturn may also impact the Group's customers, as it may result in their inability to pay the amounts owed to the Group and it may affect demand for ENEL's goods and services. Continuation of further worsening of these difficult financial and macroeconomic conditions could have a material adverse effect on the Group, its business prospects, its financial condition and its results of operations.

The ENEL Group faces risks relating to political, social or economic instability in some of the countries where the Group operates.

The Group's activities outside of Italy (in particular in certain South American countries) are subject to a range of country-specific business risks, including changes to government policies or regulations in the countries in which it operates, changes in the commercial practice, the imposition of monetary and other restrictions on the movement of capital for foreign corporations, economic crises, state expropriation of assets, the absence, loss or non-renewal of favorable treaties or similar agreements with foreign tax authorities and general political, social and economic instability. Some countries may also have inadequate creditors' protection due to a lack of efficient bankruptcy procedures, investment restrictions and significant exchange rate volatility.

Systemic (i.e. not diversifiable) risk, referred to as "country risk", could have a material adverse effect on the ENEL Group's business returns and on the value of the Group's assets and, in order to effectively monitor this risk, ENEL regularly carries out a qualitative assessment process of the risks associated with each country where the ENEL Group operates. In addition, ENEL has developed a quantitative model using a shadow rating approach in order to support capital allocation and investments evaluation processes in the context of industrial planning and business development. This model is aimed at detecting Group exposures to economic-financial-political-climate-energy risk factors, such as in Latin America.

There can be no assurance that these policies cover all of the potential liabilities which may arise in connection with country risk. The occurrence of an adverse event in a country that is not covered, or only partially covered, by the Group's risk assessment could have a material adverse effect upon the ENEL Group's operations in such country, and business prospects, financial condition, results of operations of the ENEL Group.

Changes in macro-economic, geo-political and market conditions, globally and in the countries in which the ENEL Group operates, as well as any regulatory changes, may adversely affect the ENEL Group's business, results of operation and financial condition.

Given the international span of the Group's operations, changes in the political situation in a country or region or political decisions that have an impact on a specific activity or geographic area, could have a significant impact on demand for the Group's products and services. Additionally, uncertainties regarding future trade arrangements and industrial policies in various countries or regions, both within and outside Europe, such as policies on energy savings and the introduction of new customs duties or export restrictions, may create additional macroeconomic risk. Since 2018, the U.S. administration has introduced tariffs and export restrictions on a broad range of goods. In response, the European Union, China, and other jurisdictions have implemented retaliatory measures targeting U.S. products. In 2025, commercial tensions have escalated further, as the U.S. adopted new sector-specific and broad-based tariff policies affecting the EU, China, and several other trade partners. These actions have triggered countermeasures,

intensified bilateral negotiations, and led to periodic—though limited—de-escalation efforts. The continued evolution of global trade policies represents a material and ongoing risk, requiring close monitoring due to its dynamic nature and potential to adversely affect international trade flows and cross-border business operations.

Furthermore, the ENEL Group's business may be impacted by the global economic environment, the persistency of high levels of interest rates and instability in securities markets around the world generated by international conflicts (such as, the continuation of the Russian-Ukrainian conflict and the instability in the Middle East which have significantly disrupted global trade routes and contributed to heightened volatility in energy markets and commodity prices) and the potential significant impact of financial and economic sanctions on the regional and global economy, in particular on the Eurozone. Specifically, the instability in the Middle East and the Russia–Ukraine conflict, including the imposition of international economic sanctions on Russian entities and persons, together with increased consumer price pressures and risks to economic growth in the Eurozone resulting from ongoing geopolitical instability, may have material adverse effects on the industry segments in which the ENEL Group operates as well as on the Group's business, results of operations and financial condition.

Any negative developments involving the above-mentioned factors could have an adverse impact on the Group's business and operating results as well as the Group's financial condition and assets.

The Group faces risks relating to the ongoing process of energy market liberalisation, which continues to unfold in many of the markets in which the Group operates. The Group may face new competition in the markets in which it operates, also due to the evolution of the energy sector.

The energy markets in which the ENEL Group operates have been undergoing a process of gradual liberalisation, implemented through diverse approaches and according to different timetables in the various countries in which the Group operates. As a result of this liberalisation process, new competitors have entered, and may continue to enter, many of the ENEL Group's markets. It cannot be excluded that liberalisation in these markets will continue in the future and, consequently, the ENEL Group's ability to grow its businesses and improve its financial results may be affected by increased competition.

In particular, competition is increasing in the power and gas sector, in which ENEL competes with other utilities, retailers and traders within Italy and abroad who sell power and gas to industrial, commercial and residential clients. This could have an impact on the prices charged and revenues received by the Group from its electricity production and trading activities. The ENEL Group may moreover be unable to offset the financial effects of decreases in production and sales of electricity through efficiency improvements, or expansion into new business areas or markets. Furthermore, the regulatory framework is becoming increasingly stringent, requiring market operators to adopt the technologies necessary to comply with applicable laws on security of supply and environmental protection.

As a result of the rapid evolution of the energy sector, new entrants seeking to gain market share by introducing new technologies such as digital innovation and new products linked to renewable energy could create increased pricing pressure, in turn reducing profit margins, slowing the pace of any sales increases, increasing marketing expenses or reducing market share, any of which may significantly affect the realisation of the Group's long-term strategic objectives, and/or its operating results and financial condition.

ENEL is subject to risks associated with residents' opposition.

The ENEL Group currently operates in a vast geographical area, with a presence in more than 40 countries (as at 30 September 2025) in different continents. It conducts business activities that require the development of infrastructure in local areas, which can cause criticism and/or potential disputes with communities in some cases over the infrastructure's environmental impact. In addition, the ENEL Group may be exposed to potential negative economic-financial and reputational risks due to delays in the execution of projects for new sites or other events that may affect the operational continuity of existing sites. On the other hand, ENEL's commitment to decarbonise its energy mix could have a potential negative impact in local areas whose economies are heavily dependent on affected operations (extraction and energy generation) in terms of job losses and socio-economic development. This could ultimately expose ENEL to reputational risks or even delay the Group's achievement of the decarbonisation goals set out in its Strategic Plan.

4. Legal and regulatory risks

The Group is subject to different regulatory regimes in all the countries in which it operates. These regulatory regimes are complex and changes to them could potentially affect the financial results of the Group.

The Group is subject to the laws of various countries and jurisdictions, including Italy, Spain and the EU, in which the Group companies operate, as well as the regulations issued by the competent regulatory agencies in these jurisdictions, including, in Italy, ARERA and, in Spain, the *Comisión Nacional de los Mercados y la Competencia* ("**CNMC**"). These laws and regulations may change over time and the Group may become subject to new legislation or regulatory requirements that could have a material effect on the Group's business prospects, results of operations and financial condition.

Sectorial regulation, including on foreign investments, state aid, price controls, consumer protection and tax credits, affects many aspects of the Group's business and, in many respects, determines the manner in which the Group conducts its business and sets the fees it charges or obtains for its products and services. For example, on 4 July 2025, the U.S. enacted the One Big Beautiful Bill Act (the "**OBBBA**"), which significantly modifies energy tax provisions introduced under the Inflation Reduction Act of 2022. Under the OBBBA, the Clean Electricity Production Tax Credit and Clean Electricity Investment Tax Credit will be terminated for wind and solar projects placed in service after 31 December 2027, unless construction begins on or before 4 July 2026. These changes are expected to adversely affect the wind and solar industry and may require developers of projects in the U.S. to accelerate construction timelines to preserve eligibility for tax credits. For further details on the legislative and regulatory context in which the Group operates, see also the section entitled "*Regulatory and rate issues*" in ENEL's Annual Report 2024. In addition, changes in applicable legislation and regulation (including tax regulations), whether at a national, European level or in other jurisdictions in which the Group operates, and the manner in which they are interpreted, could negatively impact the Group's current and future operations, its costs and revenue-earning capabilities and in general the development of its business.

Future changes in the directives, laws and regulations issued by the EU, the Italian Republic, Spain, ARERA, CNMC, or governments or authorities in the other countries and/or markets in which the Group operates, could materially and adversely affect ENEL's and the Group's business prospects, financial condition and results of operations. See also "*The Group operates under time-limited concessions in order to conduct many of its business activities."*

The ENEL Group is subject to a large variety of litigation and regulatory proceedings and cannot offer assurances regarding the outcomes of any individual proceeding.

In the ordinary course of its business, the Group is party to numerous civil (including in relation to antitrust and tax violations) and administrative proceedings (including in relation to antitrust and tax violations), as well as criminal (including in connection with environmental violations, manslaughter and omission of accident prevention measures) and arbitral proceedings. Pursuant to IAS 37, provisions are recognised where there is a legal or constructive obligation as a result of a past event at the end of the reporting period, the settlement of which is expected to result in an outflow of resources whose amount can be reliably estimated. Such provisions amounted to €932 million as of 30 June, 2025 compared to €948 million as of 31 December 2024.

The Group confirms that the assessment of any potential liability arising from or in connection with pending disputes and the relating provisions (if any) in the consolidated financial statements of the Group are carried out in full compliance with and according to the applicable international accounting principles and, in particular, pursuant to IAS 37. For further information, please see note 8 "*Contingent assets and liabilities*" of ENEL's 2025 Interim Financial Report at 30 September 2025, "*Significant events in the 1st Half of 2025*" and note 36 "*Contingent assets and liabilities"* of ENEL's 2025 Half Year Interim Financial Report and "*Significant events in 2024*" and note 55 "*Contingent assets and liabilities*" of ENEL's Annual Report 2024, each incorporated by reference into this Offering Circular, in which the Group provides updated and relevant information concerning the above-mentioned potential liabilities deriving from most significant proceedings.

The Group has not recorded provisions in respect of all of the disputes to which it is subject. In particular, it has not recorded provisions in cases in which it is not possible to quantify the liabilities of a negative outcome and in cases in which it currently believes that a negative outcome is not likely. There can be no assurance, therefore, that the Group will not be ordered to pay an amount of money with respect to a given matter for which the provision recorded is inadequate, or in respect of which no provision at all has been recorded. The inherent uncertainty in the outcomes of existing proceedings may determine a situation in which the provisions set aside may not be sufficient to cover in full the relevant losses.

As a consequence, if future losses arising from the pending proceedings are materially in excess of the provisions made, there may be a material adverse effect on the Group's business, cash flow, financial condition and results of operations.

In addition, although the Group maintains internal monitoring systems (including an internal control model pursuant to Italian Legislative Decree No. 231 of June 8, 2001), it may be unable to detect or prevent certain misconducts (including, among others, bribery, corruption, environmental violations, manslaughter, violations of rules regarding health and safety in the workplace) by its directors, officers, employees or agents, which could lead to civil, criminal and administrative liability for the Group (including in the form of pecuniary sanctions and operational bans), with possible negative repercussions also on the Group's reputation.

The Group faces significant costs associated with environmental laws and regulation and may be exposed to significant environmental liabilities.

The ENEL Group's businesses are subject to extensive environmental regulation at national, European, and international level. The environmental regulations in force concern, among other things, carbon dioxide ("**CO2**") emissions, biodiversity protection, water and land pollution, the disposal of waste

deriving from energy production (including that originating from decommissioning of plants), and atmospheric pollutants such as sulphur dioxide ("**SO2**"), nitrogen oxides ("**NOx**") and particulate matter ("**PM**").

The ENEL Group incurs significant costs to maintain its facilities and operations in compliance with the requirements of various environmental and related laws and regulations. Such regulations require the ENEL Group to adopt preventative or remedial measures and influence the ENEL Group's business decisions and strategy. Failure to comply with environmental requirements in the countries where the ENEL Group operates may lead to fines, litigation and, in the case of more critical events or non-compliance, loss or suspension of licenses, permits and authorisations, shutdown of facilities, as well as damage to its reputation.

Given the current public focus on environmental matters, it is not possible to exclude the possibility that more rigorous environmental rules may be introduced at the Italian, Spanish or European level or that more rigorous measures may be introduced in other countries where the ENEL Group operates, which could increase operating costs, require the Group to incur expenditures to upgrade plants and equipment or to improve security standards, or expose the ENEL Group to environmental liabilities. Such environmental liabilities could increase the ENEL Group's costs, including remediation and compensation obligations. Due to tariff regulations and market competition in Italy and other countries in which the Group operates, it may not be possible for the Group to fully offset increases in operating costs and expenditures incurred for compliance with environmental rules by the increases in prices. As a result, new environmental regulations could have a material adverse effect on the ENEL Group's business prospects, results of operations and financial condition.

The legislative framework concerning CO_2 emissions is one of the key factors affecting the ENEL Group's operations and also represents a core challenge faced by the ENEL Group and other industry operators. With respect to the control of CO_2 emissions, EU legislation on the CO_2 emissions trading scheme has the effect of imposing additional costs for the electricity industry, which costs could rise substantially in the future. In this context, the instability of the emissions allowance market accentuates the difficulties of managing and monitoring the situation. The ENEL Group monitors the development and implementation of environmental legislation, diversifies its generation mix towards the use of low-carbon technologies and resources with a focus on renewables, develops strategies to acquire allowances at competitive prices and introduces technologies to improve the environmental performances of its generation plants, increasing their energy efficiency. However, these measures and strategies undertaken by the ENEL Group to mitigate environmental risks and to reduce its CO_2 emissions may be ineffective or insufficient, which could have a material adverse effect on the business prospects, results of operations and the financial condition of ENEL and the ENEL Group. The Group is also subject to numerous EU, international, national, regional and local laws and regulations regarding the impact of its operations on the health and safety of employees, contractors, communities and properties. Breaches of health and safety laws expose the Group's employees to criminal and civil liability and the Group to the risk of criminal/administrative liabilities and liabilities associated with compensation for health or safety damage, as well as damage to its reputation.

The ENEL Group is exposed to a number of different tax uncertainties, which would have an impact on its tax expenses

The ENEL Group is required to pay taxes in multiple jurisdictions in which it operates. The ENEL Group determines the taxes it is required to pay, based on its interpretation of the applicable tax laws and regulations in the jurisdictions in which it operates. Therefore, and as a result of its presence and operation

in multiple jurisdictions (including, in addition to Italy, *inter alia*, The Netherlands, Spain, South America, and the United States of America), the ENEL Group may be subject to unfavourable changes in the applicable tax laws and regulations, or in the interpretation of such tax laws and regulations by the competent tax authorities. The financial position of the ENEL Group and its ability to service the obligations under its indebtedness, including the Securities, may be adversely affected by new laws or changes in the interpretation of existing tax laws. In addition, the European Union adopted the Council Directive (EU) 2022/2523 of 14 December 2022 "*on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union*", aimed at implementing the OECD Pillar Two Model Rules ("**Pillar Two Directive**").

This measure introduces a minimum 15 per cent. effective level of taxation calculated in accordance with the Pillar Two rules for in-scope multinational enterprises in each jurisdiction in which they operate. The Pillar Two Directive has been implemented in Italy by way of Legislative Decree No. 209 of 27 December 2023 ("**Legislative Decree 209/2023**").

The extent of the implementation of Pillar Two Directive in the jurisdictions in which the Enel Group operates is still evolving. However, the ENEL Group does not currently expect that it will be negatively affected by Pillar Two rules in Italy in a material manner (other than increasing the ENEL Group's tax compliance obligations).

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

The Group is exposed to risks connected with the protection of personal data.

The ENEL Group has the largest customer base in the public services sector (approximately 69 million customers as at 30 September 2025), and had 60,950 employees as at 30 June 2025 (compared to 60,395 as at 31 December 2024). The Group's business model requires the management of an increasingly large and growing volume of personal data in order to achieve the financial and business results envisaged in the Strategic Plan.

This exposes the ENEL Group to the risks connected with the protection of personal data (an issue that must also take account of the substantial growth in privacy legislation in most of the countries in which ENEL operates). These risks may involve the loss of confidentiality, integrity or availability of the personal information of customers, employees and other third parties (e.g. suppliers), with the risk of incurring fines of up to 4% of the Group's total global turnover, the prohibition of the use of certain processes and consequent financial losses and reputational harm.

In order to manage and mitigate this risk, ENEL has adopted a model for the global governance of personal data that provides for the establishment of positions responsible for privacy issues at all levels, including the appointment of Data Protection Officers at the global and country levels, and the introduction of digital compliance tools to map applications and processes and to manage risks with an impact on protecting personal data, in compliance with specific local regulations in this field.

5. Risks relating to ENEL's credit ratings and shareholding

ENEL's ability to access credit and bond markets on acceptable terms is in part dependent on its credit ratings, which have come under scrutiny due to the Group's level of debt.

ENEL's long-term debt is currently rated "BBB" (positive outlook) by S&P, "BBB+" (stable outlook) by Fitch and "Baa1" (stable outlook) by Moody's. S&P, Moody's and Fitch are established in the EU and registered under the EU CRA Regulation. Each of Moody's, S&P and Fitch is included in the list of registered credit rating agencies published by the ESMA on its website in accordance with the EU CRA Regulation. The ratings issued by S&P, Fitch and Moody's are endorsed by S&P Global Ratings UK Limited, Fitch Ratings Ltd and Moody's Investors Service Limited, respectively, each of which is established in the UK and registered under the UK CRA Regulation, and is included in the list of registered credit rating agencies published by the FCA on its website in accordance with the UK CRA Regulation. Each of these ratings is near the low-end of the respective rating agency's scale of investment-grade ratings. ENEL's ability to access the capital markets and other forms of financing (or refinancing), and the costs connected with such activities, depend on the credit ratings assigned to ENEL. In addition, any future downgrade of the sovereign credit rating of Italy and/or Spain or the perception that such a downgrade may occur may adversely affect the market's perception of ENEL's creditworthiness and have a negative impact on the Group's credit ratings. Any worsening of credit ratings could limit ENEL's ability to access capital markets and other forms of financing (or refinancing), or increase the costs related thereto, with related adverse effects on ENEL's and the Group's business prospects, financial condition and results of operations as well as its ability to implement the Strategic Plan, which contemplates a significant amount of capital expenditure. See "*— Enel's ability to successfully execute the Strategic Plan is not assured.*"

Certain financing agreements entered into by companies belonging to the ENEL Group provide that the rates of interest applicable to the loans thereunder may vary according to ENEL's credit rating by S&P, Moody's and Fitch. Any downgrade could thus potentially result in an increase of the amount of interest payable by the relevant ENEL Group company under the relevant agreement(s). In addition, access to the capital markets and to other forms of financing and the associated cost of funds is also dependent, amongst other things, on the ratings assigned to the Group.

Therefore, any downgrade of such ratings could limit ENEL's access to the capital markets and could increase the cost of borrowing and/or of the refinancing of existing debt. Any downgrade could therefore have adverse effects on ENEL's and the Group's business prospects, financial condition and results of operations.

ENEL is subject to the* "de facto" *control of the Italian MEF, which has managed so far to appoint the majority of ENEL's Directors.

As of the date of this Offering Circular, ENEL is controlled by the Ministry of the Economy and Finance of Italy (the "**MEF**") – as the term "control" is defined in Article 2359, first paragraph, no. 2) of the Italian Civil Code, and Article 93 of the Italian Consolidated Financial Act – which holds a 23.585% direct stake in ENEL's ordinary shares and to date has managed to appoint the majority of the directors of the Company, in accordance with the slate-based voting mechanism set forth in Article 14 (*Board of Directors*) of ENEL's by-laws. As a result, other shareholders' ability to influence decisions on matters submitted to a vote of ENEL's shareholders may be limited. However, the MEF is not involved in managing and coordinating ENEL, and ENEL makes its management decisions on a fully independent basis in accordance with the structure of duties and responsibilities assigned to its corporate bodies.

RISKS RELATED TO THE SECURITIES

1. Risks relating to the specific characteristics of the Securities

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

The Securities will be unsecured and subordinated obligations of the Issuer and will rank junior to the claims of unsubordinated and other subordinated creditors of the Issuer, except for subordinated creditors whose claims rank, or are expressed to rank *pari passu* with the Securities or junior to the Securities. See Condition 3 (*Status and Subordination*) of the relevant Terms and Conditions of the Securities. By virtue of such subordination, upon the occurrence of a winding-up, insolvency, dissolution or liquidation of the Issuer, payments on the Securities will be subordinated in right of payment to the prior payment in full of all other liabilities of the Issuer, except for payments in respect of any Parity Securities or Junior Securities. The obligations of the Issuer under the Securities are intended to be senior only to its obligations to the holders of (i) any class of the Issuer's share capital and (ii) any other securities issued by the Issuer or any securities issued by a company other than the Issuer which have the benefit of a guarantee or similar instrument from the Issuer, which securities of the Issuer, or guarantee or similar instrument granted by the Issuer, rank or are expressed to rank *pari passu* with any class of the Issuer's share capital and/or junior to the Securities. A Securityholder may therefore recover less than the holders of unsubordinated or other subordinated liabilities of the Issuer which rank senior to the Securities.

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

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

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

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

The Securities are perpetual securities and have no fixed date for redemption, and unless previously redeemed, purchased or exchanged and cancelled by the Issuer as provided in the relevant Terms and Conditions, the Securities will become due and payable and will be redeemed on the Liquidation Event Date, including in connection with any Insolvency Proceedings in accordance with (i) any applicable legal provision, or any decision of any judicial or administrative authority, or (ii) any resolution passed at a shareholders' meeting of the Issuer or (iii) any provision which is set out in the by-laws of the Issuer from time to time (including the maturity of the Issuer which, as of the date of this Offering Circular, is set in its by-laws at 31 December 2100). The Issuer is under no obligation to redeem or repurchase the Securities prior to such date, although it may elect to do so in certain circumstances. Securityholders have no right to call for the redemption of the Securities and the Securities will only become due and payable on the Liquidation Event Date. Securityholders should therefore be aware that they may be required to bear the

financial risks associated with an investment in long-term securities and that they may not recover their investment in the foreseeable future.

Deferral of interest payments

The Issuer may elect to defer in whole, but not in part, payment of interest in respect of the Securities in respect of any interest period by giving a Deferral Notice to the relevant Securityholders. If the Issuer makes such an election, the Issuer shall have no obligation to make such payment and any such non-payment of interest will not constitute a default by the Issuer for any purpose. Any interest in respect of the Securities the payment of which is deferred will, so long as the same remains outstanding, constitute Arrears of Interest. Arrears of Interest will be payable as outlined in Condition 4 of the relevant Terms and Conditions of the Securities. No interest will accrue on any outstanding Arrears of Interest. While the deferral of payment of interest continues, the Issuer is not prohibited from making payments on any instrument ranking senior to the Securities and may, in certain limited circumstances, pay dividends or make distributions on, or redeem, Junior Securities or Parity Securities (as set out in the definition of "Mandatory Arrears of Interest Settlement Event" in the relevant Condition, and in such event, the Securityholders are not entitled to claim immediate payment of interest so deferred.

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

Early redemption risk

From the relevant First Par Call Date, the Issuer may redeem all (but not some only) of the relevant Securities on any relevant Par Call Date at their principal amount together with accrued interest to, but excluding, such Par Call Date and any outstanding Arrears of Interest.

The Issuer may also redeem all (but not some only) of the relevant Securities at the applicable Early Redemption Price at any time following the occurrence of a Withholding Tax Event, a Tax Deductibility Event, a Rating Methodology Event or an Accounting Event, as outlined in Conditions 6.3, 6.4, 6.5 and 6.6 of the relevant Terms and Conditions of the Securities. The Issuer may also redeem all (but not some only) of the relevant Securities on any Business Day prior to the relevant First Par Call Date at the Make-whole Redemption Amount, as outlined in Condition 6.7 of the relevant Terms and Conditions of the Securities. In addition, as outlined in Condition 6.8, in the event that at least 75 per cent. of the aggregate amount of the relevant Securities issued on the Issue Date has been purchased by or on behalf of the Issuer or a Subsidiary and cancelled, the Issuer may redeem all (but not some only) of the outstanding relevant Securities at the applicable Early Redemption Price. In each of the above cases, the Early Redemption Price may be less than the then current market value of the relevant Securities.

During any period when the Issuer may elect to redeem or is perceived to be able to redeem the relevant Securities, the market value of such Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem the relevant Securities when its cost of borrowing for similar securities is lower than the interest rate on such Securities, or if it no longer requires the relevant Securities as part of its capital structure. An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the relevant Securities being redeemed and may only

be able to reinvest the redemption proceeds at a significantly lower rate. Potential investors should consider their reinvestment risk in light of other investments available at that time.

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

There is no restriction on the amount of securities or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Securityholders on an insolvency of the Issuer and/or may increase the likelihood of a deferral of interest payments under the relevant Securities.

Resettable fixed rate securities carry a market risk

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

Interest rate reset may result in a decline of yield

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

From the relevant First Reset Date, the interest rate in respect of the relevant Securities will be reset periodically by reference to a mid-swap rate, which may be affected by changes in benchmark regulation

Commencing from the relevant First Reset Date, the interest rate will (if the relevant Securities are not redeemed) be reset on each relevant Reset Date by reference to a prevailing EUR 5 year Swap Rate plus the relevant margin, being:

(a) in respect of the NC 6 Securities, (i) for the Reset Period commencing on the NC 6 First Reset Date to but excluding 14 January 2037, 1.658 per cent. per annum, (ii) for the Reset Periods commencing on 14 January 2037, 14 January 2042 and 14 January 2047, 1.908 per cent. per annum, and (iii) for any other Reset Period after 14 January 2052, 2.658 per cent. per annum; or

(b) in respect of the NC 9 Securities, (i) for the Reset Period commencing on the NC 9 First Reset Date to but excluding 14 January 2040, 1.821 per cent. per annum, (B) for the Reset Periods commencing on 14 January 2040, 14 January 2045 and 14 January 2050, 2.071 per cent. per annum, and (C) for any other Reset Period after 14 January 2055, 2.821 per cent. per annum.

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

As at the time of pricing of the initial issue of the relevant Securities, the current market practice is to derive the EUR 5 year Swap Rate in part from the Euro interbank offered rate ("**EURIBOR**") calculated by the European Money Markets Institute (as administrator of EURIBOR). The EUR 5 year Swap Rate, EURIBOR and other interest rates or other types of rates and indices which are deemed to be "benchmarks" have been subject to significant regulatory scrutiny and legislative intervention in past years. This relates not only to the creation and administration of benchmarks, but, also, to the use of a benchmark rate. In the EU, Regulation (EU) No. 2016/1011, as amended (the "**EU Benchmarks Regulation**") applies to the provision of, contribution of input data to, and the use of, a benchmark within the EU, subject to certain transitional provisions. Similarly, Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**UK Benchmarks Regulation**") applies to the provision of contribution of input data to, and the use of a, benchmark, within the UK, subject to certain transitional provisions. The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Securities, for example if the methodology or other terms of the benchmark are changed in future in order to comply with the terms of the EU Benchmark Regulation or UK Benchmark Regulation, or other similar legislation, or if a critical benchmark is discontinued or is determined to be by a regulator to be "no longer representative".

Such factors could (amongst other things) have the effect of reducing or increasing the rate or level, or may affect the volatility of the published rate or level, of the benchmark. They also may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", triggering changes in the rules or methodologies used in certain "benchmarks" or leading to the discontinuance or unavailability of quotes of certain "benchmarks".

Although EURIBOR has been reformed in order to comply with the terms of the Benchmark Regulation, it remains uncertain as to whether and for how long it will continue in its current form, or whether it will be further reformed or replaced with the Euro Short Term Rate ("**€STR**") or an alternative benchmark.

Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted, including the necessity to adjust the interest provisions of the Terms and Conditions of the Securities. Any such consequence could affect the manner in which interest determinations are required to be made pursuant to the relevant Conditions, as set out in Condition 4.1(b) (*Interest and Interest Deferral – Determination of EUR 5 year Swap Rate*) of the relevant Terms and Conditions of the Securities, and have a material adverse effect on the value of and return on the relevant Securities.

As at the date of this Offering Circular, the European Money Markets Institute appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to article 36 of the Benchmark Regulation.

It is not possible to predict with certainty whether, and to what extent a benchmark will continue to be supported going forward. The reform of EURIBOR to adopt a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate), or the elimination of any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the conditions of the Securities or result in other consequences in respect of the Securities.

If a Benchmark Event (which, amongst other events, includes the permanent discontinuation of the EUR 5 year Swap Rate) occurs, the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser. The Independent Adviser shall act in good faith and in a commercially reasonable

manner as an expert and in consultation with the Issuer and shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the EUR 5 year Swap Rate. The use of any such Successor Rate or Alternative Rate to determine the Prevailing Interest Rate will result in the Securities performing differently (which may include payment of a lower Prevailing Interest Rate) than they would do if the EUR 5 year Swap Rate were to continue to apply in its current form.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the relevant Terms and Conditions of the Securities also provide that an Adjustment Spread will be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate. The use of any Successor Rate or Alternative Rate (including with the application of the applicable Adjustment Spread) will still result in the Securities performing differently (which may include payment of a lower Prevailing Interest Rate) than they would if the EUR 5 year Swap Rate were to continue to apply in its current form.

Furthermore, if any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined by the Independent Adviser, the relevant Terms and Conditions of the Securities provide that the Issuer shall vary the relevant Terms and Conditions of the Securities, if determined by the Independent Adviser, to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread, without any requirement for consent or approval of the relevant Securityholders.

Accordingly, while any Adjustment Spread may be expected to be designed to eliminate or minimise any potential transfer of value between counterparties, the application of the Adjustment Spread to the Securities may not do so and may result in the Securities performing differently (which may include payment of a lower interest rate) than they would do if the EUR 5 year Swap Rate were to continue to apply in its current form.

The Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate in accordance with the terms and conditions of the relevant Securities

Where the Issuer is unable to appoint an Independent Adviser in a timely manner, or the Independent Adviser is unable to determine a Successor Rate or Alternative Rate before the next Reset Interest Determination Date, the EUR 5 year Swap Rate for the next succeeding Reset Period will be the last available EUR 5 year mid swap rate for euro swap transactions, expressed as an annual rate, on the EUR Reset Screen Page.

Applying the last available EUR 5 year mid swap rate in that manner may result in the Securities performing differently (which may include payment of a lower Prevailing Interest Rate) than they would do if the EUR 5 year Swap Rate were to continue to apply, or if a Successor Rate or Alternative Rate could be determined.

Where the Issuer has been unable to appoint an Independent Adviser or the Independent Adviser is unable to determine a Successor Rate or Alternative Rate in respect of any given Reset Interest Determination Date, it will continue to attempt to appoint an Independent Adviser in a timely manner before the next succeeding Reset Interest Determination Date, and/or the Independent Adviser will continue to attempt to determine a Successor Rate or Alternative Rate to apply to the next succeeding and any subsequent Reset Periods, as necessary.

If the Issuer is unable to appoint an Independent Adviser or, the Independent Adviser fails to determine a Successor Rate or Alternative Rate for the life of the Securities, the initial Prevailing Interest Rate, or the last available EUR 5 year mid swap rate for euro swap transactions, expressed as an annual rate, on the EUR Reset Screen Page, will continue to apply to the date on which the Securities will become due and

payable and will be redeemed in accordance with the relevant Terms and Conditions of the Securities. This will result in the relevant Securities, in effect, becoming fixed rate securities.

Notwithstanding any of the provisions of Condition 4.4 of the relevant Terms and Conditions of the Securities, no Benchmark Amendments will be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to cause a reduction in or loss of equity credit to occur in connection with the Securities. This will result in the relevant Securities, in effect, becoming fixed rate securities, without any resetting of interest.

The Securities are subject to provisions relating to modification, waivers, substitution of the Issuer and modification or variation of the Securities

Each Trust Deed contains provisions for convening meetings of the Securityholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Securityholders including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority.

Each Trust Deed also provides that the Trustee may, without the consent of the Securityholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Securities, or (ii) the substitution of another company as principal debtor under the Securities in place of the Issuer, in the circumstances described in and subject to the provisions of Condition 13 of relevant Terms and Conditions of the Securities.

Each Trust Deed also provides that the Trustee shall, subject to the fulfilment of certain requirements as set out in the relevant Trust Deed, without the consent of the Securityholders, agree to the variation or the exchange of the relevant Securities upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event.

There is a risk that, after the issue of the relevant Securities, a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event may occur which would entitle the Issuer, without any requirement for the consent or approval of the Securityholders, to exchange or vary the relevant Securities, subject to the fulfilment of certain conditions intended to protect the interests of the Securityholders, so that after such exchange or variation the Securities remain or become, as the case may be, eligible for the same or (from the perspective of the Issuer) more favourable tax, accounting or ratings treatment than the treatment to which they were entitled prior to the relevant event occurring.

Whilst the Exchanged Securities or Varied Securities, as the case may be, are required to have terms which are not materially less favourable to the Securityholders (as a class) than the terms of the Securities, there can be no assurance that any such exchange or variation of the relevant Securities will not have a significant adverse impact on the price of, and/or market for, the Securities or the circumstances of individual Securityholders.

Changes in rating methodologies may lead to the early redemption of the Securities

S&P, Moody's and Fitch may change, amend or clarify their rating methodology or change their interpretation thereof and, as a result, the Securities may no longer be eligible for the same or a higher amount of "equity credit" attributable to the Securities at the date of their issue, or the Securities may only be eligible for the same or a higher amount of "equity credit" attributable to the Securities at the date of their issue for a shorter period of time as compared to the period of time for which S&P, Moody's and/or Fitch had assigned to the Securities that level of equity credit at the date of their issue, in which case the Issuer may redeem all of the Securities (but not some only), as provided in Condition 6.5 (*Early Redemption following a Rating Methodology Event*) of the Securities, or may vary their terms or exchange them for new securities, as provided under Condition 7.1. See "*Early redemption risk*" and "*Risks relating*

to modification, waivers, substitution of the Issuer and modification, exchange or variation of the Securities" above.

There are no events of default

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

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

In the event of a winding-up, insolvency, dissolution or liquidation of the Issuer, the claims of relevant Securityholders will be subordinated as further described in Condition 3 of the relevant Terms and Conditions of the Securities. Accordingly, the claims of holders of all obligations to which the Securities are subordinated will first have to be satisfied in any winding-up or analogous proceedings before the relevant Securityholders may expect to obtain any recovery in respect of the Securities and, prior to that, the relevant Securityholders will have only limited ability to influence the conduct of such winding-up or analogous proceedings.

2. **Risks relating to changes of law and the Italian insolvency law regime**

Changes of law may affect the terms and conditions of the relevant Securities

Each Trust Deed, the Securities and the related Coupons and any non-contractual obligations arising out of or in connection with each Trust Deed, the Securities and the Coupons are governed by, and shall be construed in accordance with, English law, except for the provisions of each Trust Deed concerning status and subordination of the relevant Securities and the Coupons, which are each governed by Italian law. See Conditions 3.1 and 3.2 of the relevant Terms and Conditions of the Securities. In addition, the provisions of each Trust Deed concerning the meeting of Securityholders and the appointment of a joint representative of Securityholders (a *rappresentante comune*) in respect of the relevant Securities are subject to compliance with Italian law. See Condition 13.1 of the relevant Terms and Conditions of the Securities. No assurance can be given as to the impact of any possible judicial decision or change to English or Italian law or administrative practice after the date of this Offering Circular.

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

As mentioned in "*Changes of law may affect the terms and conditions of the relevant Securities*" above, the provisions relating to Securityholders' meetings (including quorums and voting majorities) are subject to compliance with certain mandatory provisions of Italian law, which may change during the life of the Securities. In addition, as currently drafted, the rules concerning Securityholders' meetings are intended to follow mandatory provisions of Italian law that apply to Securityholders' meetings where the issuer is an Italian listed company. As at the date of this Offering Circular, the Issuer is a listed company but, if its shares ceased to be listed on a securities market while the Securities are still outstanding, then the mandatory provisions of Italian law that apply to Securityholders' meetings would be different (particularly in relation to the rules relating to the calling of meetings, participation by Securityholders at meetings, quorums and voting majorities). Furthermore, certain Securityholders' meeting provisions could change as a result of amendments to the Issuer's By-laws.

Accordingly, Securityholders should not assume that the provisions relating to Securityholders' meetings contained in the Trust Deeds and summarised in the Conditions will correctly reflect mandatory provisions of Italian law applicable to Securityholders' meetings at any future date during the life of the Securities. Any of the above changes could reduce the ability of Securityholders to influence the outcome of any vote at a Securityholders' meeting and, as described in further detail in "and "*Risks relating to modification, waivers, substitution of the Issuer and modification, exchange or variation of the Securities*" above, the outcome of any such vote will be binding on all Securityholders, including dissenting and abstaining Securityholders, and may have an adverse impact on Securityholders' rights and on the market value of the Securities.

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

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

For instance, if the Issuer becomes subject to certain Insolvency Proceedings, payments made by the Issuer in favour of the Securityholders or the Trustee on their behalf prior to the commencement of the relevant proceeding may be liable to claw-back by the relevant trustee.

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

3. **Risks relating to the credit rating of the Securities**

Credit Rating

On or around the Issue Date, the Securities are expected to be assigned a rating of Baa3 by Moody's, BB+ by S&P and BBB- by Fitch. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Securities.

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

4. **Risks relating to the trading market for the Securities**

There is no active trading market for the Securities, and if a market does develop, it may be volatile

Although application has been made to admit the Securities to trading on Euronext Dublin and may also be made to Borsa Italiana for the Securities to be admitted to listing and trading on the MOT, the Securities

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

Delisting of the Securities

Application has been made for the Securities to be listed on the official list of Euronext Dublin and admitted to trading on its regulated market, and may also be made to Borsa Italiana for the Securities to be admitted to listing and trading on the MOT. If the listing of the Securities on such market(s) becomes unduly burdensome, the Securities may subsequently be delisted despite the best efforts of the Issuer to maintain such listing and, although no assurance is made as to the liquidity of the Securities as a result of listing, any delisting of the Securities may have a material effect on a Securityholder's ability to resell the Securities on the secondary market.

5. **Risks relating to taxation and accounting treatment of the Securities**

Taxation

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

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

All payments in respect of the relevant Securities will be made free and clear of withholding or deduction of Italian taxation, unless the withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts as will result in the Securityholders receiving such amounts as they would have received in respect of such Securities had no such withholding or deduction been required. The Issuer's obligation to gross up is, however, subject to a number of exceptions, including withholding or deduction of *imposta sostitutiva* (Italian substitute tax), pursuant to Decree No. 239 (as amended, supplemented and/or replaced from time to time), which may apply even if the Securityholder is eligible to receive payments free of *imposta sostitutiva* but fails to comply with certain procedural requirements, including, without limitation, the direct or indirect deposit of the Securities with certain qualified intermediaries, the provision of declarations relating to specific subjective requirements, or other similar conditions for exemption. A brief description of *imposta sostitutiva* is set out in the section headed "Certain Tax Considerations".

Prospective purchasers of Securities should consult their tax advisers as to the overall tax consequences of acquiring, holding and disposing of Securities and receiving payments of interest, principal and/or other amounts under the Securities, including in particular the effect of any state, regional or local tax laws of any country or territory and whether any of the above-mentioned exceptions may be applicable to them. Where those exceptions do apply, the required withholding or deduction of such taxes will be made for

the account of the relevant Securityholders and the Issuer will not be obliged to pay any additional amounts to those Securityholders. See also the section headed "*Certain Tax Considerations*" below.

Imposta sostitutiva

Imposta sostitutiva (Italian substitute tax) is applied to payments of interest and other income (including the difference between the redemption amount and the issue price) at a rate of 26 per cent. to (i) certain Italian resident Securityholders and (ii) certain non-Italian resident Securityholders who have not filed in due time with the relevant depository a declaration (*autocertificazione*) stating, inter alia, that he or she is resident for tax purposes in a country which allows for an adequate exchange of information with the Italian tax authorities.

Changes to tax legislation

Law No. 111 of 9 August 2023 ("**Law 111/2023**") delegated power to the Italian Government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the reform of the Italian tax system (the "T**ax Reform**"). With Law No. 120 of 8 August 2025, the Italian Parliament extended the term of the delegation to the Italian Government for the enactment of such Tax Reform to thirty-six months (i.e. to 29 August 2026).

According to Law 111/2023, 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 this Offering Circular may not reflect the future tax landscape accurately.

Investors should be aware that the amendments that may be introduced by the Tax Reform 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 Securities and could result in a lower return of their investment.

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

Qualification of the Securities under Italian tax law

The statements contained in the section headed "Certain Tax Considerations" regarding the applicability of the tax regime provided for by Decree No. 239, (as amended, supplemented and/or replaced from time to time) to the Securities are based on the interpretation of the applicable legislation as confirmed by clarifications given by the Italian tax authority in Circular No. 4/E of 18 January 2006, Circular No. 4/E of 6 March 2013, Resolution No. 30/E of 26 February 2019 and reply to Ruling No. 291 of 31 August 2020, according to which (i) bonds may have a maturity which is not scheduled at a specific date, but which instead is linked (as is the case with the Securities) either to the duration of the issuing company or to certain events that would lead to the liquidation of the issuer, and that (ii) the accounting of bonds as equity instruments by the issuer does not affect the classification of the instruments for tax purposes. Prospective purchasers and holders of the Securities should be aware that the above clarifications (as well as the Italian tax provisions in effect as of the date of this Prospectus) are subject to changes, which could even apply retrospectively. In particular, the Issuer gives no assurance that the Italian tax authorities will in the future maintain their current position on this matter.

If the Securities were not classified as "bonds" or "debentures similar to bonds" for tax purposes, they would be classified as "atypical securities" pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, as amended, supplemented and/or replaced from time to time. Under those circumstances, interest and other proceeds in respect of the Securities could be subject to Italian withholding tax at a rate of 26 per cent. if owed to Securityholders that are not resident in Italy for tax purposes or to certain categories

of Italian Securityholders, depending on the legal status of the Securityholder of such interest and other proceeds from the Securities. The applicability of such a withholding tax in relation to interest and other proceeds paid to non-Italian resident Securityholders would give rise to an obligation of the Issuer to pay additional amounts pursuant to Condition 8 (Taxation), and would, as a consequence (subject to certain conditions), allow the Issuer to redeem the Securities, to vary the terms of the Securities or exchange them for new securities pursuant to the Conditions (see "*Early redemption risk*" and "*The Securities are subject to provisions relating to modification, waivers, substitution of the Issuer and modification or variation of the Securities*" above).

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

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

In November 2023, the IASB issued an exposure draft on the proposed amendments proposed by the DP/2018/1 Paper. Whilst the proposals set out in the DP/2018/1 Paper would not, in their current form, result in any changes to the current IFRS accounting classification of financial instruments such as the Securities as equity instruments, such exposure draft is, however, subject to receipt of comments, the deadline for which was 29 March 2024. The IASB met on 23 October 2024 to discuss feedback on the Exposure Draft Financial Instruments with Characteristics of Equity and potential changes to the proposed presentation and disclosure requirements in response to the feedback. The IASB was not asked to make any decisions and it will further discuss the proposed presentation and disclosure requirements. As at the date of this Offering Circular, the implementation of any of the proposals set out in the DP/2018/1 Paper or any other similar proposals that may be made in the future, including the extent and timing of any such implementation, if at all, is still uncertain.

No assurance can be given as to the future classification of the Securities from an accounting perspective If changes are proposed and implemented, the current IFRS accounting classification of financial instruments such as the Securities as equity instruments may change and this may result in the occurrence of an "Accounting Event" (as described in the relevant Terms and Conditions of the Securities). In such an event, the Issuer may have the option to redeem, in whole but not in part, the Securities, as provided in Condition 6.5 of the Securities, or may vary their terms or exchange them for new securities, as provided under Condition 7.1. See "*Early redemption risk*" and "*Risks relating to modification, waivers, substitution of the Issuer and modification, exchange or variation of the Securities*" above.

INCORPORATION BY REFERENCE

The following information, which has previously been published and have been filed with the Central Bank of Ireland, is incorporated in and forms part of this Offering Circular:

(a) the translation into English of the independent auditors' report and of the audited consolidated financial statements of ENEL as at and for the financial year ended 31 December 2024 (**the "2024 ENEL Audited Consolidated Financial Statements**"), contained in ENEL's Integrated Annual Report 2024 ("**ENEL's Annual Report 2024**"), available on ENEL's website at:

https://www.enel.com/content/dam/enel-com/documenti/investitori/informazioni-finanziarie/2024/annuali/en/integrated-annual-report_2024.pdf

(b) the translation into English of the independent auditors' report and of the audited consolidated financial statements of ENEL as at and for the financial year ended 31 December 2023 (**the "2023 ENEL Audited Consolidated Financial Statements**"), contained in ENEL's Integrated Annual Report 2023 ("**ENEL's Annual Report 2023**"), available on ENEL's website at:

https://www.enel.com/content/dam/enel-com/documenti/investitori/informazioni-finanziarie/2023/annuali/en/integrated-annual-report_2023.pdf

(c) the translation into English of the half-year financial report at 30 June 2025 of ENEL and related notes thereto ("**ENEL's 2025 Half-Year Financial Report**") which includes the independent auditors' review report on the unaudited consolidated interim financial report of ENEL as at and for the six months ended 30 June 2025 ("**ENEL's Half-Year Financial Report at 30 June 2025**"), available on ENEL's website at:

https://www.enel.com/content/dam/enel-com/documenti/investitori/informazioni-finanziarie/2025/interim/en/half-year-financial-report_30june2025.pdf;

(d) the translation into English of the unaudited condensed consolidated interim financial report of ENEL as at and for the nine month period ended 30 September 2025 ("**2025 ENEL Interim Financial Report at 30 September 2025**"), available on ENEL's website at:

https://www.enel.com/content/dam/enel-com/documenti/investitori/informazioni-finanziarie/2025/interim/en/interim-financial-report_30september2025.pdf;

(e) the section headed "*Description of ENEL*", contained in the €35,000,000,000 Euro Medium Term Note Programme Base Prospectus dated 23 December 2025 (the "**EMTN Base Prospectus**"), which can be found on ENEL's website at:

https://www.enel.com/content/dam/enel-com/documenti/investitori/investire-in-enel/programmi-principali/medium-term-notes/2026/base-prospectus_23december2025.pdf.

each to the extent specified in the cross-reference list below and save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

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

Copies of documents incorporated by reference in this Offering Circular can be obtained from the registered office of the Issuer.

The following table shows where the information incorporated by reference in this Offering Circular can be found in the above-mentioned documents. Information contained in those documents other than the information listed below does not form part of this Offering Circular and is either not relevant or covered elsewhere in this Offering Circular.

Document	**Information incorporated**	**Location (page numbers)**
ENEL's Annual Report 2024	Corporate boards	36-37
	Performance by primary segment (Business Line) and secondary segment (Geographical Area)	172-204
	Significant events in 2024	211-213
	Regulatory and rate issues	215-228
	Consolidated Income Statement	420
	Statement of Consolidated Comprehensive Income	421
	Statement of Consolidated Financial Position	422-423
	Statement of Changes in Consolidated Equity	424-425
	Consolidated Statement of Cash Flows	426
	Notes to the consolidated financial statements	427-600
	Declaration of the Chief Executive Officer and the officer in charge of financial reporting of the Enel Group at December 31, 2024	601
	Report of the Audit Firm	620-624
ENEL's Annual Report 2023	Corporate boards	32-33
	Performance by primary segment (Business Line) and secondary segment (Geographical Area)	157-189
	Significant events in 2023	235-237
	Regulatory and rate issues	239-265
	Consolidated Income Statement	274
	Statement of Consolidated Comprehensive Income	275
	Statement of Consolidated Financial Position	276-277
	Statement of Changes in Consolidated Equity	278-279
	Consolidated Statement of Cash Flows	280
	Notes to the consolidated financial statements	281-451

Document	Information incorporated	Location (page numbers)
	Declaration of the Chief Executive Officer and the officer in charge of financial reporting of the Enel Group at December 31, 2023	452
	Report of the Audit Firm	468-473
ENEL's 2025 Half-Year Financial Report	ENEL Organizational Model	16-18
	Performance by segment	52-84
	Significant events in the 1st Half of 2025	91-92
	Regulatory and rate issues	93-103
	Consolidated Income Statement	110
	Statement of Consolidated Comprehensive Income	111
	Statement of Consolidated Financial Position	112-113
	Statement of Changes in Consolidated Equity	114-115
	Consolidated Statement of Cash Flows	116
	Notes to the condensed interim consolidated financial statements	117-169
	Declaration of Chief Executive Officer and the officer responsible	170
	Report of the Audit Firm	172-173
2025 ENEL Interim Financial Report at 30 September 2025	Enel organizational model	13
	Significant events in the 3rd Quarter of 2025	20-21
	Performance by segment	38-71
	Condensed Consolidated Income Statement	79
	Statement of Consolidated Comprehensive Income	80
	Condensed Consolidated Statement of Financial Position	81
	Statement of Changes in Consolidated Shareholders' Equity	82-83
	Condensed Consolidated Statement of Cash Flows	84
	Notes to the condensed consolidated financial statements at September 30, 2025	85-114
	Declaration of the officer responsible for preparing accounting documentation	116
EMTN Base Prospectus	Description of ENEL	130 - 174

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The financial information of the Issuer and its subsidiaries (together, the "**Group**" or the "**ENEL Group**") as of and for the six-months period ended 30 June 2025 has been derived from the 2025 Interim Financial Report at 30 June 2025. The 2025 Interim Financial Report at 30 June 2025 was approved by the board of directors of ENEL on 31 July 2025. The information contained in the 2025 Interim Financial Report at 30 June 2025 are not necessarily indicative of the results of operations that may be expected for any other interim period in 2025 or for the full year.

The 2025 Interim Financial Report at 30 June 2025 of the Group at and for the six months ended at 30 June 2025 has been prepared pursuant to Article 154-*ter* of Legislative Decree 58 of 24 February 1998 as amended by Legislative Decree 195 of 6 November 2007 and Article 81 of the Issuers Regulation as amended.

The Issuer's unaudited condensed interim consolidated financial statements as at and for the six months ended at 30 June 2025 included in the 2025 Interim Financial Report at 30 June 2025 have been prepared in compliance with the international accounting standards (International Accounting Standards - IAS and International Financial Reporting Standards - IFRS) issued by the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), recognized by the European Union pursuant to Regulation (EC) no. 1606/2002 and in effect at the same date.

More specifically, the financial statements have been prepared in compliance with "IAS 34 – Interim financial reporting" and consist of the consolidated income statement, statement of consolidated comprehensive income, statement of consolidated financial position, statement of changes in consolidated equity, consolidated statement of cash flows and notes thereto, as at and for the six months ended 30 June 2025. The 2025 Interim Financial Report at 30 June 2025 was subject to limited review made by KPMG S.p.A.

The Group's financial information as of and for the years ended 31 December 2024 and 2023 has been derived from the 2024 Audited Consolidated Financial Statements and the 2023 Audited Consolidated Financial Statements, respectively. The 2024 Audited Consolidated Financial Statements and the 2023 Audited Consolidated Financial Statements (together, the "**Audited Consolidated Financial Statements**") were approved by the board of directors of ENEL on 21 March 2025 and on 21 March 2024, respectively.

The Audited Consolidated Financial Statements were prepared in accordance with IFRS as issued by the International Accounting Standards Board and endorsed by the European Union and the Italian regulation implementing Article 9 of Legislative Decree No. 38/05.

The 2024 Audited Consolidated Financial Statements has been audited by KPMG S.p.A.; a convenience translation into English of their reports thereon, dated 15 April 2025 is incorporated by reference in this Offering Circular.

The 2023 Audited Consolidated Financial Statements has been audited by KPMG S.p.A.; a convenience translation into English of their reports thereon, dated 19 April 2024 is incorporated by reference in this Offering Circular.

The Audited Consolidated Financial Statements are incorporated by reference in this Offering Circular. A translation into English of the Audited Consolidated Financial Statements and the accompanying notes thereto are incorporated by reference to this Offering Circular.

In the 2024 Audited Consolidated Financial Statements, the 2023 consolidated income statement and statement of consolidated comprehensive income have been adjusted to take account of the presentation of discontinued operations as required by the "IFRS 5 - Non-current assets held for sale and discontinued operations".

The 2024 Audited Consolidated Financial Statements provides in note 7 additional information with respect to this change.

Capitalised terms used in the following discussion are defined under "— Certain defined terms" below.

In making an investment decision, investors must rely upon their own examination of the financial statements and financial information included in the Offering Circular and should consult their professional advisors for an understanding of, among other things: (i) the differences between IFRS and other systems of generally accepted accounting principles, including U.S. GAAP, and how those differences might affect the financial information included in this Offering Circular; and (ii) the impact that future additions to, or amendments of, IFRS principles may have on the Group's results of operations and/or financial condition, as well as on the comparability of prior periods.

Alternative Performance Measures

This Offering Circular (including the documents incorporated by reference herein) contains certain alternative performance measures ("**APMs**") which are different from the EU-IFRS financial indicators obtained directly from the audited consolidated financial statements for the years ended 31 December 2024 and 2023 and from the unaudited condensed interim consolidated financial statements of ENEL as at and for the six months ended 30 June 2025 and 2024 and which are useful to present the results and the financial performance of the ENEL Group.

With regard to those indicators, on 29 April, 2021, CONSOB issued warning notice no. 5/21, which gives force to the Guidelines issued on 4 March, 2021 by the European Securities and Markets Authority (ESMA) on disclosure requirements under Regulation (EU) 2017/1129, as amended (the Prospectus Regulation), which took effect on 5 May, 2021. The Guidelines update the previous CESR Recommendations (ESMA/2013/319, in the revised version of 20 March, 2013) with exception of those concerning the special issuers referred to in Annex no. 29 of Delegated Regulation (EU) 2019/980, which were not converted into Guidelines and remain applicable. The Guidelines are intended to promote the usefulness and transparency of alternative performance indicators included in regulated information or prospectuses within the scope of application of Directive 2003/71/EC in order to improve their comparability, reliability and comprehensibility.

In line with the Guidelines mentioned above, the criteria used to construct the APMs are as follows:

- *Gross Operating Profit/(Loss):* an operating performance indicator, calculated as "Operating profit/(Loss)" plus "Depreciation, amortization and impairment losses" (which include "Net impairment/(reversals) on trade receivables and other receivables" and "Depreciation, amortization and other impairment losses").
- *Net Short-Term Debt (or Net Short-Term Financial Debt)*: a financial structure indicator, calculated as the sum of "Current portion of long-term bank borrowings", "Short-term bank borrowings", "Bonds issued (current portion)", "Other borrowings (current portion)", "Commercial paper", "Cash collateral and other financing on derivatives" and "Other short-term financial borrowings", net of "Current portion of long-term loan assets", "Cash collateral and other financial assets in respect of derivatives transactions", "Other short-term financial assets" and "Cash and cash equivalents and short-term securities".
- *Net Long-Term Debt (or Net Long-Term Financial Debt):* a financial structure indicator, calculated as the sum of the non current portion of "Bank borrowings", "Bonds" and "Other borrowings", net of "Long-term financial receivables and securities".

More generally, the Enel Group uses the following non-IFRS financial measure called "net financial debt" reported in accordance with Guideline 39, issued on 4 March 2021, by ESMA, applicable as from 5 May 2021, and with warning notice no. 5/2021 issued by CONSOB on 29 April 2021.

Investors should not place undue reliance on these APMs and should not consider any APMs as: (i) an alternative to operating profit or profit as determined in accordance with IFRS; (ii) an alternative to cash flow from operating, investing or financing activities (as determined in accordance with IFRS) as a measure of the ENEL Group's ability to meet cash needs; or (iii) an alternative to any other measure of performance under IFRS.

Except for those reported in the information incorporated by reference in this Offering Circular, such APMs have been derived from historical financial information of the Group and are not intended to provide an indication on the future financial performance, financial position or cash flows of the Group itself. It should be noted that:

i. the APMs are based exclusively on Group historical data and are not indicative of future performance;

ii. the APMs are not derived from IFRS, they are derived from the consolidated financial statements of the Group prepared in conformity with these principles, and they are not subject to audit;

iii. the APMs are non-IFRS financial measures and are not recognised as a measure of performance or liquidity under IFRS and should not be recognised as alternative to performance measures derived in accordance with IFRS or any other generally accepted accounting principles;

iv. the APMs should be read together with financial information for the Group taken from the consolidated financial statements of the Issuer;

v. as the APMs are non-IFRS measures, the definitions of APMs used by the Group may differ from, and therefore not be comparable to, those used by other companies/groups; and

vi. the APMs and definitions used herein are consistent and standardised for all the period for which financial information in this Offering Circular and in the documents incorporated by reference herein are included.

These measures are used by ENEL's management to monitor the performance of the ENEL Group.

More specifically, ENEL's management believes that:

- Net Financial Debt provides prospective investors with information to evaluate the overall level of the Group's indebtedness; and
- Gross Operating Profit/(Loss) provides prospective investors with adequate information to evaluate the Group's operating performance and its ability to repay its borrowings through its operating cash flows.

Market information

This Offering Circular contains statements related to, among other things, the following: (i) the size of the sectors and markets in which the ENEL Group operates; (ii) growth trends in the sectors and markets in which ENEL operates; and (iii) ENEL's relative competitive position in the sectors and markets in which it operates and the position of its competitors in those same sectors and markets.

Whether or not this is stated, where such information is presented, such information is based on third-party studies and surveys as well as ENEL's experience, market knowledge, accumulated data and investigation of market conditions. While ENEL believes such information to be reliable and believes any estimates contained in such information to be reasonable, there can be no assurance that such information or any of the assumptions underlying such estimates are accurate or correct, and none of the internal surveys or information on which

ENEL has relied have been verified by any independent sources. Accordingly, undue reliance should not be placed on such information. In addition, information regarding the sectors and markets in which ENEL operates is normally not available for certain periods and, accordingly, such information may not be current as of the date of this Offering Circular.

Certain defined terms

In this Offering Circular:

- References to "ENEL", the "Issuer" or the "Parent" are to ENEL S.p.A., unless the context requires otherwise.
- References to "Euro" or "€" are to the currency of the member states of the European Union participating in the third stage of the Economic and Monetary Union.
- References to "$", "U.S. $" or "U.S. dollar" refer to United States dollars.
- References to "IFRS" are to the International Financial Reporting Standards issued by the International Accounting Standards Board, including interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously referred to as the "Standing Interpretations Committee" (SIC), and, including also, International Accounting Standards (IAS) where the context requires, as endorsed by the European Commission for use in the European Union. IFRS as endorsed by the European Commission for use in the European Union differ in certain aspects from IFRS issued by the International Accounting Standards Board.
- References to the "Consolidated Financial Act" are to Legislative Decree No. 58 of 24 February 1998, "*Testo unico delle disposizioni in materia di intermediazione finanziaria*," as amended.

Rounding

Certain numerical figures set out in this Offering Circular, including financial data presented in millions or thousands and certain percentages, have been subject to rounding adjustments and, as a result, the totals of the data in columns or rows of tables in this Offering Circular may vary slightly from the actual arithmetic totals of such information.

Forward-Looking Statements

This Offering Circular contains forward-looking statements, including (without limitation) statements containing the words "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "will", "would" and similar words. These statements are based on ENEL's current expectations and projections about future events and involve substantial uncertainties. All statements, other than statements of historical facts, contained herein regarding ENEL's strategy, goals, plans, future financial position, projected revenues and costs or prospects are forward-looking statements. Forward-looking statements are subject to inherent risks and uncertainties, some of which cannot be predicted or quantified. Future events or actual results could differ materially from those set forth in, contemplated by or underlying forward-looking statements. ENEL does not undertake any obligation to publicly update or revise any forward-looking statements.

Furthermore, this Offering Circular contains certain statements and estimates regarding the competitive position in certain markets of Enel and its subsidiaries (collectively, the "Group"), including with respect to the Group's pre-eminence in particular markets. Such statements are based on the best information available to the Group's management as of the date hereof. However, the Group faces competitive risks and its market positions may diverge from those expressed herein as a result of a variety of factors. Any failure of the Group to execute upon its plans or maintain its market positions could have a material adverse effect upon the Group, its business

prospects, its financial condition and its results of operations. See "*Presentation of Financial and Other Information — Market information*" above.

Enel may not actually achieve or realise the plans, intentions or expectations disclosed in its forward-looking statements and prospective investors should not place undue reliance on them. There can be no assurance that actual results of the Issuer's activities and operations will not differ materially from the expectations set forth in such forward-looking statements. Factors that could cause actual results to differ from such expectations include, but are not limited to, those described under "Risk Factors".

USE AND ESTIMATED AMOUNT OF PROCEEDS

The estimated net proceeds of the issuance of the NC 6 Securities, after deduction of commissions, fees, and estimated expenses (expected to amount to €1,235,000,000), will be used by the Issuer for general corporate purposes, including refinancing of existing hybrid bonds.

The estimated net proceeds of the issuance of the NC 9 Securities, after deduction of commissions, fees, and estimated expenses (expected to amount to €737,970,000), will be used by the Issuer for general corporate purposes, including refinancing of existing hybrid bonds.

TERMS AND CONDITIONS OF THE NC 6 SECURITIES

The following is the text of the Terms and Conditions of the NC 6 Securities which (subject to modification) will be endorsed on each NC 6 Security in definitive form (if issued).

Text set out within the Terms and Conditions of the NC 6 Securities in italics is provided for information only and does not form part of the Terms and Conditions of the NC 6 Securities.

The €1,250,000,000 Perpetual 6 Year Non-Call Capital Securities (the "**Securities**", which expression shall in these Conditions, unless the context otherwise requires, include any further securities issued pursuant to Condition 15 and forming a single series with the Securities) of Enel S.p.A. (the "**Issuer**") are constituted by a Trust Deed dated 14 January 2026, as amended or supplemented from time to time (the "**Trust Deed**") made between the Issuer and BNY Mellon Corporate Trustee Services Limited (the "**Trustee**", which expression shall include its successor(s)) as trustee for the holders of the Securities (the "**Securityholders**") and the holders of the interest coupons appertaining to the Securities (the "**Couponholders**" and the "**Coupons**" respectively, which expressions shall, unless the context otherwise requires, include the talons for further interest coupons (the "**Talons**") and the holders of the Talons).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. Copies of the Trust Deed and the paying agency agreement dated 14 January 2026 (as amended or supplemented from time to time, the "**Agency Agreement**") made between the Issuer, The Bank of New York Mellon, London Branch, as principal paying agent (the "**Principal Paying Agent**" and, together with any further paying agents appointed thereunder, the "**Paying Agents**") and agent bank (the "**Agent Bank**") (which shall be responsible for making certain determinations, as described in these Terms and Conditions) and the Trustee are available for inspection by appointment during normal business hours (being between 9 a.m. and 3 p.m. (London time)) on any weekday by the Securityholders and the Couponholders at the registered office for the time being of the Trustee, being at the date of issue of the Securities at 160 Queen Victoria Street, London EC4V 4LA, and at the specified office of each of the Paying Agents or at the Trustee's or Paying Agent's (as the case may be) option may be provided by email to such holder requesting copies of such documents, subject to the Paying Agent or the Trustee (as applicable) being supplied by the Issuer with copies of such documents. The Securityholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the provisions of the Agency Agreement applicable to them. References in these Conditions to the Trustee, the Agent Bank and the Paying Agents shall include any successor appointed under the Trust Deed or, as the case may be, the Agency Agreement.

1 Form, Denomination and Title

1.1 Form and Denomination

The Securities are in bearer form, serially numbered, in the denominations of €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000, with Coupons and one Talon attached on issue.

1.2 Title

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

1.3 Holder Absolute Owner

The Issuer, any Paying Agent and the Trustee may (to the fullest extent permitted by applicable laws) deem and treat the bearer of any Security or Coupon as the absolute owner for all purposes (whether or not the Security or Coupon is overdue and notwithstanding any notice of ownership or writing on the Security or Coupon or any notice of previous loss or theft of the Security or Coupon or of any trust or

interest therein) and shall not be required to obtain any proof thereof or as to the identity of such bearer and no person shall be liable for so treating such holder.

2 Definitions and Interpretation

As used in these Conditions:

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

"**Accrual Period**" has the meaning given to it in Condition 4.1(c).

"**Additional Amounts**" has the meaning given to it in Condition 8.1.

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the EUR 5-year Swap Rate with the Successor Rate by any Relevant Nominating Body; or

(B) (if no such recommendation has been made, or in the case of an Alternative Rate) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the EUR 5-year Swap Rate; or

(C) (if the Independent Adviser determines that no such spread is customarily applied) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the EUR 5-year Swap Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 4.4(b) is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in Euro and with an interest period of a comparable duration to the relevant Reset Period.

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

"**Benchmark Amendments**" has the meaning given to it in Condition 4.4(d).

"**Benchmark Event**" means:

(A) the EUR 5-year Swap Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist or to be administered; or

(B) a public statement by the administrator of the EUR 5-year Swap Rate that it has ceased or that it will cease publishing the EUR 5-year Swap Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the EUR 5-year Swap Rate); or

(C) a public statement by the supervisor of the administrator of the EUR 5-year Swap Rate, that the EUR 5-year Swap Rate has been or will, by a specified date on or prior to the next Reset Interest Determination Date, be permanently or indefinitely discontinued; or

(D) a public statement by the supervisor of the administrator of the EUR 5-year Swap Rate as a consequence of which the EUR 5-year Swap Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences either generally, or in respect of the Securities, in each case on or prior to the next Reset Interest Determination Date; or

(E) it has become unlawful for the Principal Paying Agent, the Agent Bank, the Issuer or other party to calculate any payments due to be made to any Securityholder using the EUR 5-year Swap Rate; or

(F) the making of a public statement by the supervisor of the administrator of the EUR 5-year Swap Rate announcing that such EUR 5-year Swap Rate is no longer representative or may no longer be used, in each case in circumstances where the same shall be applicable to the Securities,

provided that in the case of sub-paragraphs (B), (C) and (D), the Benchmark Event shall occur on the later of (i) the date which is six months prior to the date of the cessation of publication of the EUR 5-year Swap Rate, the discontinuation of the EUR 5-year Swap Rate, or the prohibition of use of the EUR 5-year Swap Rate, as the case may be and (ii) the date of the relevant public statement.

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

"**Calculation Amount**" has the meaning given to it in Condition 4.1(c).

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

"**Code**" has the meaning given to it in Condition 8.1.

"**Code of Business Crisis and Insolvency**" or "**Insolvency Code**" means Legislative Decree No. 14 of 12 January 2019 (*Codice della Crisi d'Impresa e dell'Insolvenza*), as amended and supplemented from time to time.

"**Decree No. 239**" means Italian Legislative Decree No. 239 of 1 April 1996, as amended, supplemented and/or replaced from time to time.

"**Decree No. 461**" means Italian Legislative Decree No. 461 of 21 November 1997, as amended, supplemented and/or replaced from time to time.

"**Decree No. 917**" means Italian Presidential Decree No. 917 of 22 December 1986, as amended, supplemented and/or replaced from time to time.

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

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

"**Determination Period**" has the meaning given to it in Condition 4.1(c).

"**Early Redemption Date**" means the date of redemption of the Securities pursuant to Conditions 6.3 to 6.6 and 6.8.

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

(A) in the case of a Withholding Tax Event or a Substantial Repurchase Event at any time, 100 per cent. of the principal amount of the Securities then outstanding; or

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

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

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

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

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

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

"**EUR 5 year Swap Rate Quotation**" means, in relation to any Reset Period, the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap which (i) has a term of 5 years commencing on the relevant Reset Interest Determination Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis);

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

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

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

"**EURIBOR**" means the Euro-zone interbank offered rate.

"**Euronext Dublin**" means the Irish Stock Exchange plc trading as Euronext Dublin.

"**Exchanged Securities**" has the meaning given to it in Condition 7.1.

"**FATCA Withholding**" has the meaning given to it in Condition 8.1.

"**Financial Statements**" means either of:

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

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

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

"**First Par Call Date**" means 14 October 2031, being the date falling three months prior to the First Reset Date.

"**First Reset Date**" means 14 January 2032.

"**Fitch**" means, jointly, Fitch Ratings Ireland Limited and its affiliates and branches established in the EU.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international capital markets, in each case appointed by the Issuer under Condition 4.4(a).

"**Insolvency Proceedings**" means any insolvency proceedings (*procedura concorsuale*) or proceedings equivalent or analogous thereto under the laws of any applicable jurisdiction, including, but not limited to, the judicial liquidation (*liquidazione giudiziale*) pursuant to articles 121 and following of the Code of Business Crisis and Insolvency, the composition with creditors (*concordato preventivo*) pursuant to articles 84 and following of the Code of Business Crisis and Insolvency, the composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*) pursuant to articles 240 and following of the Code of Business Crisis and Insolvency, the compulsory administrative liquidation (*liquidazione coatta amministrativa*) pursuant to articles 293 and following of the Code of Business Crisis and Insolvency, the extraordinary administration for large insolvent companies (*amministrazione straordinaria delle grandi imprese in stato di insolvenza*) pursuant to the Legislative Decree No. 270 of 8 July 1999 (as amended), the Law Decree No. 347 of 23 December 2003, converted into law, with amendments, by Law No. 39 of 18 February 2004 (as amended), the extraordinary administration for the industrial restructuring of large insolvent companies (*amministrazione straordinaria per la ristrutturazione industrial delle grandi imprese insolventi*) pursuant to Law Decree No. 347 of 23 December 2003, the debt restructuring agreements (*accordi di ristrutturazione dei debiti*) pursuant to article 57 of the Code of Business Crisis and Insolvency, the facilitated debt restructuring agreements (*accordi di ristrutturazione agevolato*) pursuant to article 60 of the Code of Business Crisis and Insolvency, the debt restructuring agreements with extended effects (*accordi di ristrutturazione ad efficacia estesa*) pursuant to article 61 of the Code of Business Crisis and Insolvency, the standstill agreement (*convenzione di moratoria*) pursuant to article 62 of the Code of Business Crisis and Insolvency, the restructuring plan subject to homologation (*piano di ristrutturazione soggetto ad omologazione*) pursuant to articles 64-*bis* and following of the Code of Business Crisis and Insolvency, the minor composition with creditors (*concordato minore*) pursuant to articles 74 and following of the Code of Business Crisis and Insolvency, as well as, the negotiated crisis settlement procedure (*composizione negoziata della crisi*) pursuant to articles 12 and following of the Code of Business Crisis and Insolvency, the assignment for the benefit of creditors (*cessione dei beni ai creditori*) pursuant to article 1977 of the Italian Civil Code, the tax settlement (*transazione fiscale*) pursuant to article 63 of the Code of Business Crisis and Insolvency, the simplified composition with creditors proceeding for the liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*) pursuant to articles 25-*sexies* and following of the Code of Business Crisis and Insolvency, the certified restructuring plan (*piano attestato di risanamento*) pursuant to article 56 of the Code of Business Crisis and Insolvency, or a "liquidation proceeding" (*procedura di liquidazione*) under the relevant legislation, as amended from time to time (in particular Insolvency Code, Italian Banking Act, Legislative Decree no. 170 of 21 May 2004, Regulation EU 2015/848 and Directive 2019/1023/EU related to insolvency procedure and Directive 2014/59/EU and the relevant implementing laws, including, without limitation the procedures for the resolution of the over-indebtedness crisis (*procedure per la composizione della crisi da sovraindebitamento*), and any of the situations provided for under articles 2446, 2447, 2482-*bis* or 2482-*ter* of the Italian Civil Code or any similar situation), as well as any similar proceedings in any jurisdiction.

"**Interest Payment Date**" means 14 January in each year, commencing on, and including, 14 January 2027.

"**Interest Period**" means the period from (and including) the Issue Date to (but excluding) the first Interest Payment Date and each successive period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date ending on the date fixed for redemption.

"**Issue Date**" means 14 January 2026.

"**Italian Insolvency Laws**" means the Italian insolvency laws in force, such as, *inter alia*, the Code of Business Crisis and Insolvency (*Codice della Crisi d'Impresa e dell'Insolvenza*), Legislative Decree No. 270 of 8 July 1999 (as amended), Law Decree No. 347 of 23 December 2003, converted into law, with amendments, by Law No. 39 of 18 February 2004 (as amended) and Law Decree No. 134 of 28 August 2008, converted into law, with amendments, by Law No. 166 of 27 October 2008 (as amended).

"**Junior Securities**" means:

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

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

(C) any securities:

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

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

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

"**Liquidation Event Date**" has the meaning given to it in Condition 6.1.

"**Listing Venue**" means Euronext Dublin and any other stock exchange or securities market in relation to which the Issuer applies for the Securities to be admitted to listing and/or trading.

"**Make-whole Redemption Amount**" means the amount which is equal to (i) the greater of (a) the principal amount of the Securities and (b) the sum of the then present values of the remaining scheduled payments of principal and interest on the Securities (determined on the basis of redemption of the Securities at their principal amount on the First Par Call Date, and excluding any interest accrued up to (but excluding) the Make-whole Redemption Date and any outstanding Arrears of Interest) discounted to the Make-whole Redemption Date on an annual basis at a discount rate equal to the Make-whole Redemption Rate plus 0.30 per cent., plus (ii) any interest accrued up to (but excluding) the Make-whole Redemption Date and any outstanding Arrears of Interest, all as determined by the Reference Dealers and as notified on the Calculation Date by the Reference Dealers to the Issuer.

"**Make-whole Redemption Date**" has the meaning given to it in Condition 6.7.

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

of the mid-market yield to maturity of the Reference Security at or around 11:00 a.m. (Central European Time) on the Calculation Date.

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

(A) a dividend (either interim or final) or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Junior Securities, except where such dividend, distribution or payment was contractually required to be resolved upon, declared, paid or made under the terms of such Junior Securities; or

(B) a dividend (either interim or final) or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Parity Securities, except where such dividend, distribution or payment was contractually required to be resolved upon, declared, paid or made under the terms of such Parity Securities (including, without limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities); or

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

(D) the Issuer or any Subsidiary has repurchased, purchased, redeemed or otherwise acquired any Parity Securities, except where (x) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Parity Securities (including, without limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities) or (y) such repurchase, purchase, redemption or acquisition is effected as a public tender offer or public exchange offer at a purchase price per security which is below its par value.

"**Mandatory Settlement Date**" means the earliest of:

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

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

(C) the date on which the Securities are redeemed or repaid in accordance with Condition 6, including at the Liquidation Event Date (unless otherwise required by mandatory provisions of applicable law).

"**Moody's**" means, jointly, Moody's France S.A.S. and its affiliates and branches established in the EU.

"**Par Call Date**" has the meaning given to it in Condition 6.2.

"**Parity Securities**" means:

(A) any securities or other instruments issued by the Issuer which rank, or are expressed to rank, *pari passu* with the Issuer's obligations under the Securities and includes the Issuer's €750,000,000 Perpetual 8.5 Year Non-Call Capital Securities (ISIN: XS1713463559); the Issuer's €600,000,000 Perpetual 6.5 Year Non-Call Capital Securities (ISIN: XS2228373671); the Issuer's €1,250,000,000 Perpetual 6.5 Year Non-Call Capital Securities (ISIN: XS2312744217); the Issuer's €1,000,000,000 Perpetual 9.5 Year Non-Call Capital Securities (ISIN: XS2312746345); the Issuer's €1,000,000,000 Perpetual 5.5 Year

Non-Call Capital Securities (ISIN: XS2576550086); the Issuer's €750,000,000 Perpetual 8.5 Year Non-Call Capital Securities (ISIN: XS2576550243); the Issuer's €900,000,000 Perpetual 5.25 Year Non-Call Capital Securities (ISIN: XS2770512064); the Issuer's €1,000,000,000 Perpetual 5.25 Year Non-Call Capital Securities (ISIN: XS2975137618) and the Issuer's €1,000,000,000 Perpetual 8 Year Non-Call Capital Securities (ISIN: XS2975137964); and

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

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

"**Rating Agency**" means any of Moody's, S&P, Fitch and any other rating agency substituted for any of them by the Issuer with the prior written approval of the Trustee and, in each case, any of their respective successors to the rating business thereof.

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

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

(A) due to an amendment to, clarification of or change in the "equity credit" (or such similar nomenclature then used by such Rating Agency) criteria of such Rating Agency, which amendment, clarification or change has occurred after the Relevant Rating Date, (i) the Securities are eligible for a level of equity credit that is lower than the level or equivalent level of equity credit assigned to the Securities by such Rating Agency on the Relevant Rating Date or (ii) the period of time during which such Rating Agency assigns to the Securities a particular level of equity credit will be shortened as compared to the period of time for which such Rating Agency had assigned to the Securities that level of equity credit on the Relevant Rating Date; or

(B) following a Refinancing Event, the Securities would have become eligible (had such Refinancing Event not occurred), due to an amendment, clarification or change in the "equity credit" (or such similar nomenclature then used by such Rating Agency) criteria, for a level of equity credit that is lower than the level or equivalent level of equity credit assigned to the Securities by such Rating Agency on the Relevant Rating Date;).

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

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

"**Reference Security**" means DBR 0% Feb-2032 (ISIN: DE0001102580) or, if such security is no longer outstanding, a Similar Security chosen by the Reference Dealers at 11:00 a.m. (Central European Time) on the Calculation Date, quoted in writing by the Reference Dealers to the Issuer and published in accordance with Condition 12, which shall replace the previous Reference Security for the purposes of determination of the Make-whole Redemption Amount.

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

"**Relevant Date**" means the date on which any payment first becomes due, except that, if the full amount of the moneys payable has not been received by the Principal Paying Agent or the Trustee 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 has been duly given to the Securityholders by the Issuer in accordance with Condition 12.

"**Relevant Make-whole Screen Page**" means the relevant Bloomberg screen page (or any successor or replacement page, section or other part of the information service), or such other page, section or other part as may replace it on the information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying the mid-market yield to maturity for the Reference Security

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

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

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

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

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

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

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

"**S&P**" means, jointly, S&P Global Ratings Europe Limited and its affiliates and branches established in the EU.

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

"**Subsidiary**" means any entity which is a subsidiary (*società controllata*) of the Issuer within the meaning of Article 2359 of the Italian Civil Code and Article 93 of Legislative Decree No. 58 of 24 February 1998, as amended.

A "**Substantial Repurchase Event**" shall be deemed to have occurred if, prior to the giving of the relevant notice of redemption, at least 75 per cent. of the aggregate principal amount of the Securities issued on the Issue Date has been purchased by or on behalf of the Issuer or a Subsidiary and has been cancelled.

"**Successor Rate**" means the rate that the Independent Adviser determines is a successor to or replacement of the EUR 5 year Swap Rate and which is formally recommended by any Relevant Nominating Body.

"**T2 Settlement Day**" means any day on which the real time gross settlement system operated by the Eurosystem, or any successor or replacement for that system is open.

A "**Tax Deductibility Event**" shall be deemed to have occurred if, as a result of a Tax Law Change, payments of interest by the Issuer in respect of the Securities are no longer, or within 90 calendar days of the date of any opinion provided pursuant to Condition 6.4(b)(ii) will no longer be, deductible in whole or in part for Italian corporate income tax purposes (or entitlement to make such deduction shall be materially delayed or reduced), and the Issuer cannot avoid the foregoing by taking reasonable measures available to it. For the avoidance of doubt, a Tax Deductibility Event shall not occur if payments of interest by the Issuer in respect of the Securities are not deductible in whole or in part for Italian corporate income tax purposes solely as a result of general tax deductibility limits set forth by Article 96 of Decree No. 917 as at (and on the basis of the general tax deductibility limits calculated in the manner applicable as at) the Issue Date.

"**Tax Jurisdiction**" means the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax and/or such other taxing jurisdiction to which the Issuer becomes subject or any political subdivision or any authority thereof or therein having power to tax.

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

"**Taxes**" means any present or future taxes or duties, assessments or governmental charges of whatever nature, together with any related interest, penalties and similar charges imposed in respect thereof.

"**Varied Securities**" has the meaning given to it in Condition 7.1.

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

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

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

3 Status and Subordination

3.1 Status

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

3.2 Subordination

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

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

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

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

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

Nothing in this Condition 3.2 shall affect or prejudice the payment of costs, charges, expenses, liabilities or remuneration of the Trustee or Agents or the rights and remedies of the Trustee or the Agents in respect thereof.

3.3 No Set-off

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

4 Interest and Interest Deferral

4.1 Interest

(a) Interest Rates and Interest Payment Dates

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

(i) from (and including) the Issue Date to (but excluding) the First Reset Date, at the rate of 4.125 per cent. per annum, payable annually in arrear on each Interest Payment Date; and

(ii) from (and including) the First Reset Date to (but excluding) the date fixed for redemption, at, in respect of each Reset Period, the relevant EUR 5 year Swap Rate plus:

(A) in respect of the Reset Period commencing on the First Reset Date to but excluding 14 January 2037, 1.658 per cent. per annum;

(B) in respect of the Reset Periods commencing on 14 January 2037, 14 January 2042 and 14 January 2047, 1.908 per cent. per annum; and

(C) in respect of any other Reset Period after 14 January 2052, 2.658 per cent. per annum;

all as determined by the Agent Bank for annual payment in arrear on each Interest Payment Date, commencing on the first Interest Payment Date.

(b) Determination of EUR 5 year Swap Rate

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

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

(iii) If at least three quotations are provided by the EUR Reset Reference Banks, the EUR 5 year Swap Rate will be determined by the Agent Bank on the basis of the arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

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

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

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

(c) Calculation of Interest

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

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

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

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

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

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

where:

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

"**Determination Period**" means the period from and including 14 January in any year to but excluding the next 14 January.

4.2 Interest Deferral

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

(a) Optional Interest Deferral

The Issuer may, at any time and at its sole discretion, elect to defer in whole, but not in part, any payment of interest accrued on the Securities in respect of any Interest Period (a "**Deferred Interest Payment**") by giving notice (a "**Deferral Notice**") of such election to the Securityholders in accordance with Condition 12 and to the Trustee and the Principal Paying Agent at least five, but not more than 30, Business Days prior to the relevant Interest Payment Date. If the Issuer makes such an election, the Issuer shall have no obligation to make such payment and any such non-payment of interest shall not constitute a default of the Issuer or any other breach of obligations under the Securities or for any other purpose.

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

(b) Optional Settlement of Arrears of Interest

The Issuer may pay any outstanding Arrears of Interest (in whole but not in part) at any time upon giving not less than 10 and not more than 15 Business Days' notice to the Securityholders in accordance with Condition 12 (which notice shall be irrevocable and will oblige the Issuer to pay the relevant Arrears of Interest on the payment date specified in such notice) and to the Trustee and the Principal Paying Agent at least five, but not more than 30, Business Days prior to the relevant due date for payment.

(c) Mandatory Settlement of Arrears of Interest

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

Notice of the occurrence of any Mandatory Settlement Date shall be given to the Securityholders in accordance with Condition 12 and to the Trustee and the Principal Paying Agent at least five, but not more than 30, Business Days prior to the relevant due date for payment.

(d) Notification of Mandatory Settlement Date

Upon the occurrence of a Mandatory Settlement Date, the Issuer shall promptly deliver to the Trustee a certificate signed by two duly authorised representatives of the Issuer confirming the occurrence thereof upon which the Trustee may rely absolutely without liability to any person for so doing.

4.3 Accrual of Interest

The Securities will cease to bear interest from (and including) the calendar day on which they are due for redemption. If the Issuer fails to redeem the Securities upon due presentation and surrender thereof when due, interest will continue to accrue as provided in the Trust Deed.

4.4 Benchmark discontinuation

(a) Independent Adviser

If a Benchmark Event occurs in relation to the EUR 5 year Swap Rate at any time prior to or on any Reset Interest Determination Date, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4.4(b)) and, in either case, an Adjustment Spread (in accordance with Condition 4.4(c)) and any Benchmark Amendments (in accordance with Condition 4.4(d)) by no later than five business days prior to the Determination Date relating to the next Determination Period for which the reset interest (or any component part thereof) is to be determined by reference to the EUR 5 year Swap Rate.

An Independent Adviser appointed pursuant to this Condition 4.4 shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of fraud or gross negligence, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents or the Securityholders for any determination made by it pursuant to this Condition 4.4.

If: (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 4.4(a) prior to the relevant Reset Interest Determination Date, the EUR 5 year Swap Rate applicable to the next succeeding Reset Period shall be the last available EUR 5 year mid swap rate for euro swap transactions, expressed as an annual rate, on the EUR Reset Screen Page. For the avoidance of doubt, this Condition 4.4(a) shall apply to the relevant next succeeding Reset Period only and any subsequent Reset Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4.4(a).

(b) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

(i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the EUR 5 year Swap Rate to determine the Prevailing Interest Rate (or the relevant component part thereof) for all future payments of interest on the Securities (subject to the operation of this Condition 4.4); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the EUR 5 year Swap Rate to determine the Prevailing Interest Rate (or the relevant component part thereof) for all future payments of interest on the Securities (subject to the operation of this Condition 4.4).

(c) Adjustment Spread

If the Independent Reference Rate Adviser determines in its discretion:

(i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be); and

(ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread,

then the Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (if required to determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, according to Condition 4.4(a)) is unable to determine the quantum of, or a

formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread.

(d) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, any applicable Adjustment Spread is determined in accordance with this Condition 4.4 and the Independent Adviser determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.4(e), without any requirement for the consent or approval of Securityholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 4.4(d), the Issuer shall comply with the rules of any stock exchange on which the Securities are for the time being listed or admitted to trading.

Benchmark Amendments may comprise, by way of example, the following amendments: (A) amendments to the definition of "EUR 5 year Swap Rate"; (B) amendments to the day-count fraction and the definitions of "Business Day", "Interest Payment Date", "Rate of Interest", and/or "Interest Period" (including the determination of whether the Alternative Rate will be determined in advance of or prior to the relevant Interest Period or in arrear on or prior to the end of the relevant Interest Period); and/or (C) any application of a business day convention.

Notwithstanding any other provision of this Condition 4.4, no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to cause a reduction in or loss of equity credit to occur.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two duly authorised representatives of the Issuer pursuant to Condition 4.4(e), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Securityholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged to agree to any Benchmark Amendments which, in the sole opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or (ii) increasing the obligations, responsibilities or duties, or decreasing the protections, of the Trustee under the Trust Deed and/or the Conditions in any way.

(e) Notices etc

Any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4.4 will be notified promptly by the Issuer to the Trustee, the Principal Paying Agent and the Agent Bank and, in accordance with Condition 12 (*Notices*), the Securityholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two duly authorised representatives of the Issuer:

(a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the

Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 4.4; and

(b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's, the Agent Bank's or the Principal Paying Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Securityholders.

(f) Survival of EUR 5 year Swap Rate

Without prejudice to the obligations of the Issuer under Condition 4.4(a), (b), (c) and (d), the EUR 5 year Swap Rate and the fallback provisions provided for in Condition 4.1(b) will continue to apply unless and until a Benchmark Event has occurred.

5 Payment and Exchanges of Talons

Provisions for payments in respect of Global Securities are set out under "Summary of Provisions Relating to the Securities while represented by the Global Securities" below.

5.1 Payments in respect of Securities

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

5.2 Method of Payment

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

5.3 Missing Unmatured Coupons

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

5.4 Payments subject to Applicable Laws

Payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer or its agents agree to be subject and, save as provided in Condition 8 below, the Issuer will not be liable for any Taxes imposed or levied by such laws, regulations or agreements.

5.5 Payment only on a Presentation Date

A holder shall be entitled to present a Security or Coupon for payment only on a Presentation Date and shall not be entitled to any further interest or other payment if a Presentation Date is after the due date for payment of any amount in respect of any Security or Coupon.

"**Presentation Date**" means a day which (subject to Condition 9):

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

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

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

5.6 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 9. Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

5.7 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

(a) there will at all times be a Principal Paying Agent;

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

(c) there will at all times be an Agent Bank.

Notice of any termination or appointment and of any changes in specified offices will be given to the Securityholders promptly by the Issuer in accordance with Condition 12.

6 Redemption and Purchase

6.1 No fixed redemption

Unless previously redeemed or purchased and cancelled as provided below, the Securities will become due and payable and will be redeemed on the date on which a winding up, dissolution or liquidation of the Issuer (otherwise than for the purpose of a solvent amalgamation, merger or reconstruction under which the assets and liabilities of the Issuer are assumed by the entity resulting from such amalgamation, merger or reconstruction and such entity assumes the obligations of the Issuer in respect of the Securities in accordance with Condition 13.2) is instituted (the "**Liquidation Event Date**"), including in connection with any Insolvency Proceedings, in accordance with (i) any applicable legal provision, or any decision of any judicial or administrative authority, or (ii) any resolution passed at a shareholders' meeting of the Issuer or (iii) any provision which is set out in the by-laws of the Issuer from time to time (including the maturity of the Issuer which, as of the Issue Date, is set in its by-laws at 31 December 2100). Upon having become due and payable according to the provisions above, the Securities will be

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

6.2 Optional Redemption

The Issuer may redeem all of the Securities (but not some only) on (a) any date during the period commencing on (and including) the First Par Call Date and ending on (and including) the First Reset Date or (b) any Interest Payment Date thereafter (each such date, a "**Par Call Date**"), in each case at their principal amount together with any accrued interest up to (but excluding) the relevant Par Call Date and any outstanding Arrears of Interest, on giving not less than 10 and not more than 60 calendar days' notice to the Securityholders in accordance with Condition 12.

6.3 Early Redemption following a Withholding Tax Event

(a) If a Withholding Tax Event occurs, the Issuer may redeem all (but not some only) of the Securities at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice to the Trustee and the Securityholders in accordance with Condition 12, provided that no such notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay Additional Amounts were a payment in respect of the Securities then due.

(b) Prior to giving a notice to the Securityholders pursuant to this Condition 6.3, the Issuer will deliver to the Trustee in a form and with content reasonably satisfactory to the Trustee:

(i) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem the Securities in accordance with this Condition 6.3 have been satisfied; and

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

and the Trustee shall be entitled to accept and rely on the above certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above and the facts set out therein in which event the same shall be conclusive and binding on the Securityholders and the Couponholders.

6.4 Early Redemption following a Tax Deductibility Event

(a) If a Tax Deductibility Event occurs, the Issuer may redeem all (but not some only) of the Securities at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Trustee and the Securityholders in accordance with Condition 12.

(b) Prior to giving a notice to the Securityholders pursuant to this Condition 6.4, the Issuer will deliver to the Trustee in a form and with content reasonably satisfactory to the Trustee:

(i) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem the Securities in accordance with this Condition 6.4 have been satisfied; and

(ii) an opinion of an independent legal or tax adviser, appointed by the Issuer at its own expense, of recognised standing in the jurisdiction of incorporation of the Issuer to the effect that payments

of interest by the Issuer in respect of the Securities are no longer, or within 90 calendar days of the date of that opinion will no longer be, deductible in whole or in part for Italian corporate income tax purposes as a result of a Tax Law Change,

and the Trustee shall be entitled to accept and rely on the above certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above and the facts set out therein in which event the same shall be conclusive and binding on the Securityholders and the Couponholders.

6.5 Early Redemption following a Rating Methodology Event

(a) If a Rating Methodology Event occurs, the Issuer may redeem all (but not some only) of the Securities at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Trustee and the Securityholders in accordance with Condition 12.

(b) Prior to giving a notice to the Securityholders pursuant to this Condition 6.5, the Issuer will deliver to the Trustee in a form and with content reasonably satisfactory to the Trustee:

(i) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem the Securities in accordance with this Condition 6.5 have been satisfied; and

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

and the Trustee shall be entitled to accept and rely on the above certificate and, if applicable, copy of the Rating Agency Confirmation as sufficient evidence of the satisfaction of the conditions precedent set out above and the facts set out therein, in which event the same shall be conclusive and binding on the Securityholders and the Couponholders.

6.6 Early Redemption upon the occurrence of an Accounting Event

(a) If an Accounting Event occurs, the Issuer may redeem all (but not some only) of the Securities at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Trustee and the Securityholders in accordance with Condition 12.

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

(b) Prior to giving a notice to the Securityholders pursuant to this Condition 6.6, the Issuer will deliver to the Trustee in a form and with content reasonably satisfactory to the Trustee:

(i) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem the Securities in accordance with this Condition 6.6 have been satisfied; and

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

and the Trustee shall be entitled to accept and rely on the above certificate and opinion, letter or report as sufficient evidence of the satisfaction of the conditions precedent set out above and the facts set out

therein, in which event the same shall be conclusive and binding on the Securityholders and the Couponholders.

6.7 Make-whole redemption at the option of the Issuer

The Issuer may redeem all (but not some only) of the Securities on any day prior to the First Par Call Date at the applicable Make-whole Redemption Amount on giving not less than 10 and not more than 60 calendar days' notice (which shall specify the date fixed for redemption (the "**Make-whole Redemption Date**")) to the Trustee and the Securityholders in accordance with Condition 12.

6.8 Purchases and Substantial Repurchase Event

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

If a Substantial Repurchase Event occurs, the Issuer may redeem all (but not some only) of the outstanding Securities at any time at the applicable Early Redemption Price, subject to the Issuer having given the Trustee and the Securityholders not less than 10 and not more than 60 calendar days' notice in accordance with Condition 12.

6.9 Cancellations

All Securities which are redeemed or exchanged pursuant to Condition 7 (*Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*) will forthwith be cancelled, together with all unmatured Coupons attached to the Securities or surrendered with the Securities at the time of redemption. All Securities so cancelled and any Securities purchased and cancelled pursuant to Condition 6.8 above shall be forwarded to the Principal Paying Agent and accordingly may not be held, reissued or resold.

6.10 Notices Final

A notice of redemption given pursuant to any of Conditions 6.2, 6.3, 6.4, 6.5, 6.6, 6.7 or 6.8 shall be irrevocable and upon the expiry of any such notice, the Issuer shall be bound to redeem the Securities in accordance with the terms of the relevant Condition.

The following does not form a part of these Conditions:

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

(i) the rating (or such similar nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating assigned to the Issuer on the date of the most recent hybrid security issuance (excluding any refinancing) which was assigned by S&P an "equity credit" similar to the Securities and the Issuer is of the view that such rating would not fall below this level as a result of such redemption or repurchase; or

(ii) in the case of a repurchase or redemption, taken together with relevant repurchases or redemptions of hybrid securities of the Issuer, such repurchase or redemption is less than 10 per cent. of the aggregate principal amount of the Issuer's hybrid securities in any period of 12 consecutive months and, in any case, less than 25 per cent. of the aggregate principal amount of the Issuer's hybrid securities in any period of 10 consecutive years; or

(iii) the Securities are redeemed pursuant to a Tax Deductibility Event or a Withholding Tax Event, an Accounting Event, a Substantial Repurchase Event or a Rating Methodology Event; or

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

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

(vi) such redemption or repurchase occurs on or after the Reset Date falling on 14 January 2052.

7 Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation

7.1 If the Issuer determines that a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or an Accounting Event has occurred and is continuing, and has provided the Trustee with the relevant certificate and opinion, or in the case of Condition 6.5 only, the Rating Agency Confirmation, pursuant to Condition 6.3, 6.4, 6.5 or 6.6 (as applicable), then the Issuer may, subject to Condition 7.2 below (without any requirement for the consent or approval of the Securityholders or Couponholders), subject to its having satisfied the Trustee immediately prior to the giving of any notice referred to herein that the provisions of this Condition 7 have been complied with and having given not less than 10 nor more than 60 Business Days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 12 (Notices), to the Securityholders (which notice shall be irrevocable), as an alternative to an early redemption of the Securities at any time:

(i) exchange the Securities (the "**Exchanged Securities**"), or

(ii) vary the terms of the Securities (the "**Varied Securities**"),

so that:

(A) in the case of a Tax Deductibility Event, the Issuer is entitled to claim a deduction or a higher deduction (as the case may be) in respect of interest paid when computing its tax liabilities for Italian corporation income tax purposes as compared with the entitlement (in the case of the Issuer) after the occurrence of the relevant Tax Deductibility Event,

(B) in the case of a Withholding Tax Event, in making any payments in respect of the Exchanged Securities or Varied Securities the Issuer is only required to pay lesser or no Additional Amounts in respect of the Exchanged Securities or Varied Securities,

(C) in the case of an Accounting Event, immediately following such exchange or variation, no Accounting Event applies in respect of the Exchanged Securities or Varied Securities, as the case may be, or

(D) in the case of a Rating Methodology Event, immediately following such exchange or variation, no Rating Methodology Event applies in respect of the Exchanged Securities or Varied Securities, as the case may be,

and the Trustee shall, subject to the following provisions of this Condition 7, and subject to the receipt by it of the certificate by two duly authorised representatives of the Issuer referred to in Condition 7.2 below, agree to such exchange or variation.

Upon expiry of such notice, the Issuer shall either vary the terms of or, as the case may be, exchange the Securities in accordance with this Condition 7 and cancel such Exchanged Securities.

The Trustee shall (at the expense of the Issuer) enter into a supplemental trust deed and/or supplemental agency agreement with the Issuer (including indemnities satisfactory to the Trustee) solely in order to effect the exchange of the Securities, or the variation of the terms of the Securities, provided that the Trustee shall not be obliged to enter into such supplemental trust deed and/or supplemental agency agreement if the terms of the Exchanged Securities or the Varied Securities would impose, in the Trustee's opinion, more onerous obligations upon it or expose it to liabilities or reduce its protections. If the Trustee does not enter into such supplemental trust deed and/or supplemental agency agreement (and the Trustee shall have no liability or responsibility to any person if it does not do so), the Issuer may redeem the Securities as provided in Condition 6 (Redemption and Purchase).

7.2 Any such exchange or variation shall be subject to the following conditions:

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

(ii) the Issuer paying any outstanding Arrears of Interest in full prior to such exchange or variation or providing for the accrual of an amount equal to the Arrears of Interest under the terms of the Exchanged Securities or the Varied Securities (as applicable);

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

(iv) the terms of the exchange or variation, in the sole opinion of the Issuer (acting reasonably) not being prejudicial to the interests of the Securityholders, including compliance with (iii) above, as certified to the Trustee by two duly authorised representatives of the Issuer, having consulted in good faith with an independent financial institution of international repute or an independent financial adviser experienced in the international capital markets, and any such certificate shall be final and binding on all parties;

(v) the preconditions to exchange or variation set out in the Trust Deed having been satisfied, including the issue of legal opinions addressed to the Trustee (in form and substance satisfactory to the Trustee) (copies of which shall be made available to the Securityholders by appointment at the specified offices of the Trustee during usual office hours or at the Trustee's option may be provided by email to such holder requesting copies of such documents, subject to the Trustee (as applicable) being supplied by the Issuer with copies of such documents) from one or more international law firms of good reputation selected by the Issuer and confirming (x) that the Issuer has capacity to assume all rights, duties and obligations under the Exchanged Securities or Varied Securities (as the case may be) and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations and (y) the legality, validity and enforceability of the Exchanged Securities or Varied Securities; and

(vi) the delivery to the Trustee of a certificate signed by two duly authorised representatives of the Issuer certifying each of the points set out in paragraphs (i) to (v) above.

The Trustee may rely absolutely upon and shall be entitled to accept such certificates and any such opinions, as are referred to in this Condition 7, without any liability to any person for so doing and without any further inquiry as sufficient evidence of the satisfaction of the criteria set out in such paragraphs, in which event it shall be conclusive and binding on the Securityholders and the Couponholders.

8 Taxation

8.1 Payment without Withholding

All payments of principal, premium and interest in respect of the Securities and Coupons by the Issuer will be made without withholding or deduction for or on account of any Taxes imposed or levied by or on behalf of any Tax Jurisdiction, unless such withholding or deduction of the Taxes is required by law. In such event, the Issuer will pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the Securityholders and Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Securities or, as the case may be, Coupons in the absence of such withholding or deduction; except that no Additional Amounts shall be payable:

(a) in respect of any Security or Coupon presented for payment

(i) in any Tax Jurisdiction; or

(ii) by or on behalf of a holder who is liable for such Taxes in respect of such Security or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Security or Coupon; or

(iii) by or on behalf of a holder who would be able to avoid such withholding or deduction by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence, but fails to do so; or

(iv) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an Additional Amount on presenting the same for payment on such thirtieth day assuming that day to have been a Presentation Date (as defined in Condition 5); or

(b) in relation to any payment or deduction on account of *imposta sostitutiva* pursuant to Decree No. 239 as amended, supplemented and/or replaced from time to time or, for the avoidance of doubt, Decree No. 461 as amended, supplemented and/or replaced from time to time; or

(c) in all circumstances in which the procedures set forth in Decree No. 239 in order to benefit from a tax exemption have not been met or duly and timely complied with; or

(d) in the event of payment by the Issuer to a non-Italian resident holder, to the extent that the holder is not listed under Article 6 of Decree No. 239 and/or is resident in a country which does not allow for a satisfactory exchange of information with the Italian authorities; or

(e) any combination of the above.

Notwithstanding anything to the contrary contained herein, the Issuer (and any other person making payments on behalf of the Issuer) shall be entitled to withhold and deduct any amounts required to be deducted or withheld pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to (i) Sections 1471 through 1474 of the Code, or (ii) any regulations thereunder or official interpretations thereof, or (iii) an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof, or (iv) any law implementing such an intergovernmental agreement (any such withholding or deduction, a "**FATCA Withholding**"), and no person shall be required to pay any additional amounts in respect of FATCA Withholding.

8.2 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Securities shall be deemed also to refer to any Additional Amounts which may be payable under this Condition or under any undertakings given in addition to, or in substitution for, this Condition pursuant to the Trust Deed.

9 Prescription

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

10 Enforcement on the Liquidation Event Date and No Events of Default

10.1 No Events of Default

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

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

On or following the Liquidation Event Date, no payments will be made in relation to the Junior Securities of the Issuer before all amounts due, but unpaid, on the Securities have been paid by the Issuer.

10.2 Enforcement on the Liquidation Event Date

On or following the Liquidation Event Date, the Trustee at its sole discretion and subject to Condition 10.3 may (subject to its being indemnified and/or secured and/or prefunded to its satisfaction), institute steps in order to obtain a judgment against the Issuer for any amounts due and payable in respect of the Securities, including the institution of Insolvency Proceedings against the Issuer or the filing of a proof of claim and participation in any Insolvency Proceedings or proceedings for the liquidation, dissolution or winding-up of the Issuer (in which Insolvency Proceedings, liquidation, dissolution or winding-up the Securities shall immediately be due and payable at their principal amount together with any accrued but unpaid interest up to (but excluding) the date on which the Securities become so due and payable and any outstanding Arrears of Interest).

10.3 Enforcement by the Trustee

(a) Subject to sub-paragraph (b) below, the Trustee may at its discretion and without further notice, take such steps, actions or proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Securities and the Coupons, but in no event shall the Issuer, by virtue of the initiation of any such steps, actions or proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

(b) The Trustee shall not be bound to take any action referred to in Conditions 10.2 or 10.3(a) above or any other action or steps under or pursuant to the Trust Deed, the Securities or the Coupons unless (a) it has been so directed by an extraordinary resolution of the Securityholders or so requested in writing by the holders of at least one-quarter in principal amount of the Securities then outstanding and (b) it has been indemnified and/or secured and/or prefunded to its satisfaction.

10.4 Enforcement by the Securityholders

No Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or to institute any Insolvency Proceedings against the Issuer or to file a proof of claim and participate in any Insolvency Proceedings or institute proceedings for the liquidation, dissolution or winding-up of the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing, in which case the Securityholder or Couponholder shall have only such rights against the Issuer as those which the Trustee would have been entitled to exercise pursuant to this Condition 10.

10.5 Limitation on remedies

No remedy against the Issuer, other than as referred to in this Condition 10, shall be available to the Trustee, the Securityholders and the Couponholders, whether for the recovery of amounts due in respect of the Securities or under the Trust Deed or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Securities, the Coupons and the Trust Deed.

11 Replacement of Securities and Coupons

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

12 Notices

All notices regarding the Securities will be deemed to be validly given (a) if published in a leading English language daily newspaper of general circulation in London and Ireland (it is expected that such publication will

be made in the *Financial Times* in London and the *Irish Times* in Ireland) and (b) if and for so long as the Securities are admitted to trading on, and listed on Euronext Dublin, on Euronext Dublin's website, *https://www.euronext.com/en/markets/dublin*. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange (or any other relevant authority) on which the Securities 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. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve. Couponholders will be deemed for all purposes to have notice of the contents of any notices given to the Securityholders in accordance with this paragraph.

13 Meetings of Securityholders, Modification, Waiver, Authorisation, Determination and Substitution of the Issuer

13.1 Meetings of Securityholders

The Trust Deed contains provisions consistent with the laws, legislation, rules and regulations of the Republic of Italy (including without limitation Legislative Decree No. 58 of 24 February 1998, as amended) for convening meetings of the Securityholders to consider any matter affecting their interests, including any modifications of the Conditions or of any provisions of the Trust Deed.

According to the laws, legislation, rules and regulations of the Republic of Italy, such meetings will be validly held as a single call meeting or, if the Issuer's by-laws provide for multiple calls, as a multiple call meeting, if (i) in the case of a single call meeting, there are one or more persons present, being or representing Securityholders holding at least one-fifth of the aggregate nominal amount of the Securities, for the time being outstanding, or such a higher quorum as may be provided for in the Issuer's by-laws, or (ii) in the case of a multiple call meeting, (a) there are one or more persons present being or representing Securityholders holding not less than one-half of the aggregate nominal amount of the Securities, for the time being outstanding; (b) in case of an adjourned meeting, there are one or more persons present being or representing Securityholders holding more than one-third of the aggregate nominal amount of the Securities for the time being outstanding; and (c) in the case of any further adjourned meeting, there are one or more persons present being or representing Securityholders holding at least one- fifth of the aggregate nominal amount of the Securities for the time being outstanding, provided that the Issuer's by-laws may in each case (to the extent permitted under the applicable laws and regulations of the Republic of Italy) provide for a higher quorum.

The majority to pass a resolution at any meeting (including, where applicable, an adjourned meeting) will be at least two-thirds of the aggregate nominal amount of the outstanding Securities represented at the meeting; provided however that (A) certain proposals, as set out in Article 2415 of the Italian Civil Code (including, for the avoidance of doubt, (a) any modification of the method of calculating the amount payable or modification of the date fixed for redemption or any date for payment of interest or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of the Securities or change of the subordination provisions of the Trust Deed and (b) any alteration of the currency in which payments under the Securities are to be made or the denomination of the Securities) may only be sanctioned by a resolution passed at a meeting of the Securityholders by the higher of (i) one or more persons holding or representing not less than one half of the aggregate nominal amount of the outstanding Securities, and (ii) one or more persons holding or representing not less than two thirds of the Securities represented at the meeting and (B) the Issuer's by-laws may in each case (to the extent permitted under applicable Italian law) provide for higher majorities.

Resolutions passed at any meeting of the Securityholders shall be binding on all Securityholders, whether or not they are present at the meeting and on all Couponholders. In accordance with the Italian

Civil Code, a *rappresentante comune*, being a joint representative of Securityholders, may be appointed in accordance with Article 2417 of the Italian Civil Code in order to represent the Securityholders' interest hereunder and to give execution to the resolutions of the meeting of the Securityholders.

13.2 Substitution of the Issuer

(a) The Trustee may, without the consent of the Securityholders or the Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition 13.2) as the principal debtor under the Securities, Coupons and the Trust Deed of another company, being any entity that will succeed to, or to which the Issuer (or those of any previous substitute under this Condition 13.2) will transfer, all or substantially all of its assets and business (or any previous substitute under this Condition 13.2) by operation of law, contract or otherwise, subject to (i) the Trustee being satisfied that such substitution does not result in the substituted issuer having an entitlement, as at the date on which such substitution becomes effective, to redeem the Securities pursuant to Conditions 6.3, 6.4, 6.5 or 6.6, and (ii) certain other conditions set out in the Trust Deed being satisfied.

(b) The Issuer has covenanted in the Trust Deed that, for so long as the Securities remain outstanding, it will not consolidate or merge out of existence with another company or firm or sell or lease all or substantially all of its assets to another company unless (i) if the Issuer merges out of existence or sells or leases all or substantially all of its assets, the other company assumes all the then-existing obligations of the Issuer (including, without limitation, all obligations under the Securities and the Trust Deed), either by law or contractual arrangements and (ii) certain other conditions set out in the Trust Deed are complied with.

(c) As long as the Securities (i) are admitted to trading on the regulated market of Euronext Dublin and/or listed on the official list of Euronext Dublin, and/or (ii) are admitted to trading on, and/or to listing on, any other Listing Venue, in the case of such a substitution, the Issuer will give notice of any substitution pursuant to Condition 13.2(a) above to Euronext Dublin and/or to such Listing Venue and, as soon as reasonably practicable but in any event not later than 30 calendar days after the execution of such documents required by, and the compliance with such other requirements of, the Trust Deed in connection with the substitution, notice of such substitution will be given to the Securityholders by the Issuer in a form previously approved by the Trustee in accordance with Condition 12, in which event the substitution shall be conclusive and binding on the Securityholders and the Couponholders.

13.3 Waiver, authorisation, determination and exercise by the Trustee of discretions etc.

The Trustee (i) may agree, without the consent of the Securityholders or Couponholders, to any modification (except as set out in the Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Securities or the Trust Deed where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Securityholders or (ii) may agree, without any such consent as aforesaid, to any modification which is, in the opinion of the Trustee, of a formal, minor or technical nature or to correct an error which is manifest. Any such modification, waiver, authorisation or determination shall be binding on the Securityholders and the Couponholders and, unless the Trustee otherwise agrees, any such modification shall be notified to the Securityholders in accordance with Condition 12 as soon as practicable thereafter.

13.4 Trustee to have Regard to Interests of Securityholders as a Class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Securityholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Securityholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Securityholders or Couponholders (whatever their

number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political subdivision thereof and the Trustee shall not be entitled to require, nor shall any Securityholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Securityholders or Couponholders except to the extent already provided for in Condition 8 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 8 pursuant to the Trust Deed.

14 Indemnification of the Trustee and its Contracting with the Issuer

14.1 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

14.2 Trustee Contracting with the Issuer

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any Subsidiary and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any Subsidiary, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Securityholders or Couponholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

15 Further Issues

The Issuer is at liberty from time to time without the consent of the Securityholders or Couponholders to create and issue further securities or bonds (whether in bearer or registered form) either (a) ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding securities or bonds of any series (including the Securities) constituted by the Trust Deed or any supplemental deed or (b) upon such terms as to ranking, interest, conversion, redemption and otherwise as the Issuer may determine at the time of the issue. Any further securities or bonds which are to form a single series with the outstanding securities or bonds of any series (including the Securities) constituted by the Trust Deed or any supplemental deed shall, and any other further securities or bonds may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Securityholders and the holders of securities or bonds of other series in certain circumstances where the Trustee so decides.

16 Governing Law and Submission to Jurisdiction

16.1 Governing Law

The Trust Deed, the Securities and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Securities and the Coupons are governed by, and shall be construed in accordance with, English law, except for Conditions 3.1 and 3.2, which are each governed by Italian law. Condition 13.1 and the provisions of the Trust Deed concerning the meeting of Securityholders and the appointment of the *rappresentante comune* in respect of the Securities are subject to compliance with Italian law.

16.2 Jurisdiction of English Courts

The courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Securities or the Coupons (including any disputes relating to any non-contractual obligations which may arise out of or in connection with the Trust Deed, the Securities or the Coupons) and accordingly each of the Issuer, the Trustee, the Securityholders and the Couponholders, in the Trust Deed, has submitted to the exclusive jurisdiction of the English courts and waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum.

16.3 Appointment of Process Agent

The Issuer has, in the Trust Deed, irrevocably and unconditionally appointed Law Debenture Corporate Services Limited at its registered office at 8th Floor 100 Bishopsgate, London, EC2N 4AG, United Kingdom as its agent for service of process and undertakes that, in the event of Law Debenture Corporate Services Limited ceasing so to act or ceasing to be registered in England, it will appoint another person approved by the Trustee as its agent for service of process in England in respect of any proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

17 Rights of Third Parties

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any of these Conditions or any other term of this Security, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

TERMS AND CONDITIONS OF THE NC 9 SECURITIES

The following is the text of the Terms and Conditions of the NC 9 Securities which (subject to modification) will be endorsed on each NC 9 Security in definitive form (if issued).

Text set out within the Terms and Conditions of the NC 9 Securities in italics is provided for information only and does not form part of the Terms and Conditions of the NC 9 Securities.

The €750,000,000 Perpetual 9 Year Non-Call Capital Securities (the "**Securities**", which expression shall in these Conditions, unless the context otherwise requires, include any further securities issued pursuant to Condition 15 and forming a single series with the Securities) of Enel S.p.A. (the "**Issuer**") are constituted by a Trust Deed dated 14 January 2026, as amended or supplemented from time to time (the "**Trust Deed**") made between the Issuer and BNY Mellon Corporate Trustee Services Limited (the "**Trustee**", which expression shall include its successor(s)) as trustee for the holders of the Securities (the "**Securityholders**") and the holders of the interest coupons appertaining to the Securities (the "**Couponholders**" and the "**Coupons**" respectively, which expressions shall, unless the context otherwise requires, include the talons for further interest coupons (the "**Talons**") and the holders of the Talons).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. Copies of the Trust Deed and the paying agency agreement dated 14 January 2026 (as amended or supplemented from time to time, the "**Agency Agreement**") made between the Issuer, The Bank of New York Mellon, London Branch, as principal paying agent (the "**Principal Paying Agent**" and, together with any further paying agents appointed thereunder, the "**Paying Agents**") and agent bank (the "**Agent Bank**") (which shall be responsible for making certain determinations, as described in these Terms and Conditions) and the Trustee are available for inspection by appointment during normal business hours (being between 9 a.m. and 3 p.m. (London time)) on any weekday by the Securityholders and the Couponholders at the registered office for the time being of the Trustee, being at the date of issue of the Securities at 160 Queen Victoria Street, London EC4V 4LA, and at the specified office of each of the Paying Agents or at the Trustee's or Paying Agent's (as the case may be) option may be provided by email to such holder requesting copies of such documents, subject to the Paying Agent or the Trustee (as applicable) being supplied by the Issuer with copies of such documents. The Securityholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the provisions of the Agency Agreement applicable to them. References in these Conditions to the Trustee, the Agent Bank and the Paying Agents shall include any successor appointed under the Trust Deed or, as the case may be, the Agency Agreement.

1 Form, Denomination and Title

1.1 Form and Denomination

The Securities are in bearer form, serially numbered, in the denominations of €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000, with Coupons and one Talon attached on issue.

1.2 Title

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

1.3 Holder Absolute Owner

The Issuer, any Paying Agent and the Trustee may (to the fullest extent permitted by applicable laws) deem and treat the bearer of any Security or Coupon as the absolute owner for all purposes (whether or not the Security or Coupon is overdue and notwithstanding any notice of ownership or writing on the Security or Coupon or any notice of previous loss or theft of the Security or Coupon or of any trust or

interest therein) and shall not be required to obtain any proof thereof or as to the identity of such bearer and no person shall be liable for so treating such holder.

2 Definitions and Interpretation

As used in these Conditions:

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

"**Accrual Period**" has the meaning given to it in Condition 4.1(c).

"**Additional Amounts**" has the meaning given to it in Condition 8.1.

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the EUR 5-year Swap Rate with the Successor Rate by any Relevant Nominating Body; or

(B) (if no such recommendation has been made, or in the case of an Alternative Rate) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the EUR 5-year Swap Rate; or

(C) (if the Independent Adviser determines that no such spread is customarily applied) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the EUR 5-year Swap Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 4.4(b) is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in Euro and with an interest period of a comparable duration to the relevant Reset Period.

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

"**Benchmark Amendments**" has the meaning given to it in Condition 4.4(d).

"**Benchmark Event**" means:

(A) the EUR 5-year Swap Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist or to be administered; or

(B) a public statement by the administrator of the EUR 5-year Swap Rate that it has ceased or that it will cease publishing the EUR 5-year Swap Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the EUR 5-year Swap Rate); or

(C) a public statement by the supervisor of the administrator of the EUR 5-year Swap Rate, that the EUR 5-year Swap Rate has been or will, by a specified date on or prior to the next Reset Interest Determination Date, be permanently or indefinitely discontinued; or

(D) a public statement by the supervisor of the administrator of the EUR 5-year Swap Rate as a consequence of which the EUR 5-year Swap Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences either generally, or in respect of the Securities, in each case on or prior to the next Reset Interest Determination Date; or

(E) it has become unlawful for the Principal Paying Agent, the Agent Bank, the Issuer or other party to calculate any payments due to be made to any Securityholder using the EUR 5-year Swap Rate; or

(F) the making of a public statement by the supervisor of the administrator of the EUR 5-year Swap Rate announcing that such EUR 5-year Swap Rate is no longer representative or may no longer be used, in each case in circumstances where the same shall be applicable to the Securities,

provided that in the case of sub-paragraphs (B), (C) and (D), the Benchmark Event shall occur on the later of (i) the date which is six months prior to the date of the cessation of publication of the EUR 5-year Swap Rate, the discontinuation of the EUR 5-year Swap Rate, or the prohibition of use of the EUR 5-year Swap Rate, as the case may be and (ii) the date of the relevant public statement.

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

"**Calculation Amount**" has the meaning given to it in Condition 4.1(c).

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

"**Code**" has the meaning given to it in Condition 8.1.

"**Code of Business Crisis and Insolvency**" or "**Insolvency Code**" means Legislative Decree No. 14 of 12 January 2019 (*Codice della Crisi d'Impresa e dell'Insolvenza*), as amended and supplemented from time to time.

"**Decree No. 239**" means Italian Legislative Decree No. 239 of 1 April 1996, as amended, supplemented and/or replaced from time to time.

"**Decree No. 461**" means Italian Legislative Decree No. 461 of 21 November 1997, as amended, supplemented and/or replaced from time to time.

"**Decree No. 917**" means Italian Presidential Decree No. 917 of 22 December 1986, as amended, supplemented and/or replaced from time to time.

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

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

"**Determination Period**" has the meaning given to it in Condition 4.1(c).

"**Early Redemption Date**" means the date of redemption of the Securities pursuant to Conditions 6.3 to 6.6 and 6.8.

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

(A) in the case of a Withholding Tax Event or a Substantial Repurchase Event at any time, 100 per cent. of the principal amount of the Securities then outstanding; or

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

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

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

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

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

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

"**EUR 5 year Swap Rate Quotation**" means, in relation to any Reset Period, the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap which (i) has a term of 5 years commencing on the relevant Reset Interest Determination Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis);

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

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

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

"**EURIBOR**" means the Euro-zone interbank offered rate.

"**Euronext Dublin**" means the Irish Stock Exchange plc trading as Euronext Dublin.

"**Exchanged Securities**" has the meaning given to it in Condition 7.1.

"**FATCA Withholding**" has the meaning given to it in Condition 8.1.

"**Financial Statements**" means either of:

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

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

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

"**First Par Call Date**" means 14 October 2034, being the date falling three months prior to the First Reset Date.

"**First Reset Date**" means 14 January 2035.

"**Fitch**" means, jointly, Fitch Ratings Ireland Limited and its affiliates and branches established in the EU.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international capital markets, in each case appointed by the Issuer under Condition 4.4(a).

"**Insolvency Proceedings**" means any insolvency proceedings (*procedura concorsuale*) or proceedings equivalent or analogous thereto under the laws of any applicable jurisdiction, including, but not limited to, the judicial liquidation (*liquidazione giudiziale*) pursuant to articles 121 and following of the Code of Business Crisis and Insolvency, the composition with creditors (*concordato preventivo*) pursuant to articles 84 and following of the Code of Business Crisis and Insolvency, the composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*) pursuant to articles 240 and following of the Code of Business Crisis and Insolvency, the compulsory administrative liquidation (*liquidazione coatta amministrativa*) pursuant to articles 293 and following of the Code of Business Crisis and Insolvency, the extraordinary administration for large insolvent companies (*amministrazione straordinaria delle grandi imprese in stato di insolvenza*) pursuant to the Legislative Decree No. 270 of 8 July 1999 (as amended), the Law Decree No. 347 of 23 December 2003, converted into law, with amendments, by Law No. 39 of 18 February 2004 (as amended), the extraordinary administration for the industrial restructuring of large insolvent companies (*amministrazione straordinaria per la ristrutturazione industrial delle grandi imprese insolventi*) pursuant to Law Decree No. 347 of 23 December 2003, the debt restructuring agreements (*accordi di ristrutturazione dei debiti*) pursuant to article 57 of the Code of Business Crisis and Insolvency, the facilitated debt restructuring agreements (*accordi di ristrutturazione agevolato*) pursuant to article 60 of the Code of Business Crisis and Insolvency, the debt restructuring agreements with extended effects (*accordi di ristrutturazione ad efficacia estesa*) pursuant to article 61 of the Code of Business Crisis and Insolvency, the standstill agreement (*convenzione di moratoria*) pursuant to article 62 of the Code of Business Crisis and Insolvency, the restructuring plan subject to homologation (*piano di ristrutturazione soggetto ad omologazione*) pursuant to articles 64-*bis* and following of the Code of Business Crisis and Insolvency, the minor composition with creditors (*concordato minore*) pursuant to articles 74 and following of the Code of Business Crisis and Insolvency, as well as, the negotiated crisis settlement procedure (*composizione negoziata della crisi*) pursuant to articles 12 and following of the Code of Business Crisis and Insolvency, the assignment for the benefit of creditors (*cessione dei beni ai creditori*) pursuant to article 1977 of the Italian Civil Code, the tax settlement (*transazione fiscale*) pursuant to article 63 of the Code of Business Crisis and Insolvency, the simplified composition with creditors proceeding for the liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*) pursuant to articles 25-*sexies* and following of the Code of Business Crisis and Insolvency, the certified restructuring plan (*piano attestato di risanamento*) pursuant to article 56 of the Code of Business Crisis and Insolvency, or a "liquidation proceeding" (*procedura di liquidazione*) under the relevant legislation, as amended from time to time (in particular Insolvency Code, Italian Banking Act, Legislative Decree no. 170 of 21 May 2004, Regulation EU 2015/848 and Directive 2019/1023/EU related to insolvency procedure and Directive 2014/59/EU and the relevant implementing laws, including, without limitation the procedures for the resolution of the over-indebtedness crisis (*procedure per la composizione della crisi da sovraindebitamento*), and any of the situations provided for under articles 2446, 2447, 2482-*bis* or 2482-*ter* of the Italian Civil Code or any similar situation), as well as any similar proceedings in any jurisdiction.

"**Interest Payment Date**" means 14 January in each year, commencing on, and including, 14 January 2027.

"**Interest Period**" means the period from (and including) the Issue Date to (but excluding) the first Interest Payment Date and each successive period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date ending on the date fixed for redemption.

"**Issue Date**" means 14 January 2026.

"**Italian Insolvency Laws**" means the Italian insolvency laws in force, such as, *inter alia*, the Code of Business Crisis and Insolvency (*Codice della Crisi d'Impresa e dell'Insolvenza*), Legislative Decree No. 270 of 8 July 1999 (as amended), Law Decree No. 347 of 23 December 2003, converted into law, with amendments, by Law No. 39 of 18 February 2004 (as amended) and Law Decree No. 134 of 28 August 2008, converted into law, with amendments, by Law No. 166 of 27 October 2008 (as amended).

"**Junior Securities**" means:

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

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

(C) any securities

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

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

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

"**Liquidation Event Date**" has the meaning given to it in Condition 6.1.

"**Listing Venue**" means Euronext Dublin and any other stock exchange or securities market in relation to which the Issuer applies for the Securities to be admitted to listing and/or trading.

"**Make-whole Redemption Amount**" means the amount which is equal to (i) the greater of (a) the principal amount of the Securities and (b) the sum of the then present values of the remaining scheduled payments of principal and interest on the Securities (determined on the basis of redemption of the Securities at their principal amount on the First Par Call Date, and excluding any interest accrued up to (but excluding) the Make-whole Redemption Date and any outstanding Arrears of Interest) discounted to the Make-whole Redemption Date on an annual basis at a discount rate equal to the Make-whole Redemption Rate plus 0.30 per cent., plus (ii) any interest accrued up to (but excluding) the Make-whole Redemption Date and any outstanding Arrears of Interest, all as determined by the Reference Dealers and as notified on the Calculation Date by the Reference Dealers to the Issuer.

"**Make-whole Redemption Date**" has the meaning given to it in Condition 6.7.

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

of the mid-market yield to maturity of the Reference Security at or around 11:00 a.m. (Central European Time) on the Calculation Date.

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

(A) a dividend (either interim or final) or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Junior Securities, except where such dividend, distribution or payment was contractually required to be resolved upon, declared, paid or made under the terms of such Junior Securities; or

(B) a dividend (either interim or final) or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Parity Securities, except where such dividend, distribution or payment was contractually required to be resolved upon, declared, paid or made under the terms of such Parity Securities (including, without limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities); or

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

(D) the Issuer or any Subsidiary has repurchased, purchased, redeemed or otherwise acquired any Parity Securities, except where (x) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Parity Securities (including, without limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities) or (y) such repurchase, purchase, redemption or acquisition is effected as a public tender offer or public exchange offer at a purchase price per security which is below its par value.

"**Mandatory Settlement Date**" means the earliest of:

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

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

(C) the date on which the Securities are redeemed or repaid in accordance with Condition 6, including at the Liquidation Event Date (unless otherwise required by mandatory provisions of applicable law).

"**Moody's**" means, jointly, Moody's France S.A.S. and its affiliates and branches established in the EU.

"**Par Call Date**" has the meaning given to it in Condition 6.2.

"**Parity Securities**" means:

(A) any securities or other instruments issued by the Issuer which rank, or are expressed to rank, *pari passu* with the Issuer's obligations under the Securities and includes the Issuer's €750,000,000 Perpetual 8.5 Year Non-Call Capital Securities (ISIN: XS1713463559); the Issuer's €600,000,000 Perpetual 6.5 Year Non-Call Capital Securities (ISIN: XS2228373671); the Issuer's €1,250,000,000 Perpetual 6.5 Year Non-Call Capital Securities (ISIN: XS2312744217); the Issuer's €1,000,000,000 Perpetual 9.5 Year Non-Call Capital Securities (ISIN: XS2312746345); the Issuer's €1,000,000,000 Perpetual 5.5 Year

Non-Call Capital Securities (ISIN: XS2576550086); the Issuer's €750,000,000 Perpetual 8.5 Year Non-Call Capital Securities (ISIN: XS2576550243); the Issuer's €900,000,000 Perpetual 5.25 Year Non-Call Capital Securities (ISIN: XS2770512064); the Issuer's €1,000,000,000 Perpetual 5.25 Year Non-Call Capital Securities (ISIN: XS2975137618) and the Issuer's €1,000,000,000 Perpetual 8 Year Non-Call Capital Securities (ISIN: XS2975137964); and

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

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

"**Rating Agency**" means any of Moody's, S&P, Fitch and any other rating agency substituted for any of them by the Issuer with the prior written approval of the Trustee and, in each case, any of their respective successors to the rating business thereof.

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

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

(A) due to an amendment to, clarification of or change in the "equity credit" (or such similar nomenclature then used by such Rating Agency) criteria of such Rating Agency, which amendment, clarification or change has occurred after the Relevant Rating Date, (i) the Securities are eligible for a level of equity credit that is lower than the level or equivalent level of equity credit assigned to the Securities by such Rating Agency on the Relevant Rating Date or (ii) the period of time during which such Rating Agency assigns to the Securities a particular level of equity credit will be shortened as compared to the period of time for which such Rating Agency had assigned to the Securities that level of equity credit on the Relevant Rating Date; or

(B) following a Refinancing Event, the Securities would have become eligible (had such Refinancing Event not occurred), due to an amendment, clarification or change in the "equity credit" (or such similar nomenclature then used by such Rating Agency) criteria, for a level of equity credit that is lower than the level or equivalent level of equity credit assigned to the Securities by such Rating Agency on the Relevant Rating Date;).

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

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

"**Reference Security**" means DBR 2.5% Feb-2035 (ISIN: DE000BU2Z049) or, if such security is no longer outstanding, a Similar Security chosen by the Reference Dealers at 11:00 a.m. (Central European Time) on the Calculation Date, quoted in writing by the Reference Dealers to the Issuer and published in accordance with Condition 12, which shall replace the previous Reference Security for the purposes of determination of the Make-whole Redemption Amount.

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

"**Relevant Date**" means the date on which any payment first becomes due, except that, if the full amount of the moneys payable has not been received by the Principal Paying Agent or the Trustee 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 has been duly given to the Securityholders by the Issuer in accordance with Condition 12.

"**Relevant Make-whole Screen Page**" means the relevant Bloomberg screen page (or any successor or replacement page, section or other part of the information service), or such other page, section or other part as may replace it on the information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying the mid-market yield to maturity for the Reference Security

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

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

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

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

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

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

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

"**S&P**" means, jointly, S&P Global Ratings Europe Limited and its affiliates and branches established in the EU.

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

"**Subsidiary**" means any entity which is a subsidiary (*società controllata*) of the Issuer within the meaning of Article 2359 of the Italian Civil Code and Article 93 of Legislative Decree No. 58 of 24 February 1998, as amended.

A "**Substantial Repurchase Event**" shall be deemed to have occurred if, prior to the giving of the relevant notice of redemption, at least 75 per cent. of the aggregate principal amount of the Securities issued on the Issue Date has been purchased by or on behalf of the Issuer or a Subsidiary and has been cancelled.

"**Successor Rate**" means the rate that the Independent Adviser determines is a successor to or replacement of the EUR 5 year Swap Rate and which is formally recommended by any Relevant Nominating Body.

"**T2 Settlement Day**" means any day on which the real time gross settlement system operated by the Eurosystem, or any successor or replacement for that system is open.

A "**Tax Deductibility Event**" shall be deemed to have occurred if, as a result of a Tax Law Change, payments of interest by the Issuer in respect of the Securities are no longer, or within 90 calendar days of the date of any opinion provided pursuant to Condition 6.4(b)(ii) will no longer be, deductible in whole or in part for Italian corporate income tax purposes (or entitlement to make such deduction shall be materially delayed or reduced), and the Issuer cannot avoid the foregoing by taking reasonable measures available to it. For the avoidance of doubt, a Tax Deductibility Event shall not occur if payments of interest by the Issuer in respect of the Securities are not deductible in whole or in part for Italian corporate income tax purposes solely as a result of general tax deductibility limits set forth by Article 96 of Decree No. 917 as at (and on the basis of the general tax deductibility limits calculated in the manner applicable as at) the Issue Date.

"**Tax Jurisdiction**" means the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax and/or such other taxing jurisdiction to which the Issuer becomes subject or any political subdivision or any authority thereof or therein having power to tax.

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

"**Taxes**" means any present or future taxes or duties, assessments or governmental charges of whatever nature, together with any related interest, penalties and similar charges imposed in respect thereof.

"**Varied Securities**" has the meaning given to it in Condition 7.1.

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

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

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

3 Status and Subordination

3.1 Status

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

3.2 Subordination

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

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

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

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

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

Nothing in this Condition 3.2 shall affect or prejudice the payment of costs, charges, expenses, liabilities or remuneration of the Trustee or Agents or the rights and remedies of the Trustee or the Agents in respect thereof.

3.3 No Set-off

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

4 Interest and Interest Deferral

4.1 Interest

(a) Interest Rates and Interest Payment Dates

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

(i) from (and including) the Issue Date to (but excluding) the First Reset Date, at the rate of 4.500 per cent. per annum, payable annually in arrear on each Interest Payment Date; and

(ii) from (and including) the First Reset Date to (but excluding) the date fixed for redemption, at, in respect of each Reset Period, the relevant EUR 5 year Swap Rate plus:

(A) in respect of the Reset Period commencing on the First Reset Date to but excluding 14 January 2040, 1.821 per cent. per annum;

(B) in respect of the Reset Periods commencing on 14 January 2040, 14 January 2045 and 14 January 2050, 2.071 per cent. per annum; and

(C) in respect of any other Reset Period after 14 January 2055, 2.821 per cent. per annum;

all as determined by the Agent Bank for annual payment in arrear on each Interest Payment Date, commencing on the first Interest Payment Date.

(b) Determination of EUR 5 year Swap Rate

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

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

(iii) If at least three quotations are provided by the EUR Reset Reference Banks, the EUR 5 year Swap Rate will be determined by the Agent Bank on the basis of the arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

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

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

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

(c) Calculation of Interest

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

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

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

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

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

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

where:

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

"**Determination Period**" means the period from and including 14 January in any year to but excluding the next 14 January.

4.2 Interest Deferral

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

(a) Optional Interest Deferral

The Issuer may, at any time and at its sole discretion, elect to defer in whole, but not in part, any payment of interest accrued on the Securities in respect of any Interest Period (a "**Deferred Interest Payment**") by giving notice (a "**Deferral Notice**") of such election to the Securityholders in accordance with Condition 12 and to the Trustee and the Principal Paying Agent at least five, but not more than 30, Business Days prior to the relevant Interest Payment Date. If the Issuer makes such an election, the Issuer shall have no obligation to make such payment and any such non-payment of interest shall not constitute a default of the Issuer or any other breach of obligations under the Securities or for any other purpose.

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

(b) Optional Settlement of Arrears of Interest

The Issuer may pay any outstanding Arrears of Interest (in whole but not in part) at any time upon giving not less than 10 and not more than 15 Business Days' notice to the Securityholders in accordance with Condition 12 (which notice shall be irrevocable and will oblige the Issuer to pay the relevant Arrears of Interest on the payment date specified in such notice) and to the Trustee and the Principal Paying Agent at least five, but not more than 30, Business Days prior to the relevant due date for payment.

(c) Mandatory Settlement of Arrears of Interest

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

Notice of the occurrence of any Mandatory Settlement Date shall be given to the Securityholders in accordance with Condition 12 and to the Trustee and the Principal Paying Agent at least five, but not more than 30, Business Days prior to the relevant due date for payment.

(d) Notification of Mandatory Settlement Date

Upon the occurrence of a Mandatory Settlement Date, the Issuer shall promptly deliver to the Trustee a certificate signed by two duly authorised representatives of the Issuer confirming the occurrence thereof upon which the Trustee may rely absolutely without liability to any person for so doing.

4.3 Accrual of Interest

The Securities will cease to bear interest from (and including) the calendar day on which they are due for redemption. If the Issuer fails to redeem the Securities upon due presentation and surrender thereof when due, interest will continue to accrue as provided in the Trust Deed.

4.4 Benchmark discontinuation

(a) Independent Adviser

If a Benchmark Event occurs in relation to the EUR 5 year Swap Rate at any time prior to or on any Reset Interest Determination Date, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4.4(b)) and, in either case, an Adjustment Spread (in accordance with Condition 4.4(c)) and any Benchmark Amendments (in accordance with Condition 4.4(d)) by no later than five business days prior to the Determination Date relating to the next Determination Period for which the reset interest (or any component part thereof) is to be determined by reference to the EUR 5 year Swap Rate.

An Independent Adviser appointed pursuant to this Condition 4.4 shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of fraud or gross negligence, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents or the Securityholders for any determination made by it pursuant to this Condition 4.4.

If: (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 4.4(a) prior to the relevant Reset Interest Determination Date, the EUR 5 year Swap Rate applicable to the next succeeding Reset Period shall be the last available EUR 5 year mid swap rate for euro swap transactions, expressed as an annual rate, on the EUR Reset Screen Page. For the avoidance of doubt, this Condition 4.4(a) shall apply to the relevant next succeeding Reset Period only and any subsequent Reset Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4.4(a).

(b) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

(i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the EUR 5 year Swap Rate to determine the Prevailing Interest Rate (or the relevant component part thereof) for all future payments of interest on the Securities (subject to the operation of this Condition 4.4); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the EUR 5 year Swap Rate to determine the Prevailing Interest Rate (or the relevant component part thereof) for all future payments of interest on the Securities (subject to the operation of this Condition 4.4).

(c) Adjustment Spread

If the Independent Reference Rate Adviser determines in its discretion:

(i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be); and

(ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread,

then the Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (if required to determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, according to Condition 4.4(a)) is unable to determine the quantum of, or a

formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread.

(d) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, any applicable Adjustment Spread is determined in accordance with this Condition 4.4 and the Independent Adviser determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.4(e), without any requirement for the consent or approval of Securityholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 4.4(d), the Issuer shall comply with the rules of any stock exchange on which the Securities are for the time being listed or admitted to trading.

Benchmark Amendments may comprise, by way of example, the following amendments: (A) amendments to the definition of "EUR 5 year Swap Rate"; (B) amendments to the day-count fraction and the definitions of "Business Day", "Interest Payment Date", "Rate of Interest", and/or "Interest Period" (including the determination of whether the Alternative Rate will be determined in advance of or prior to the relevant Interest Period or in arrear on or prior to the end of the relevant Interest Period); and/or (C) any application of a business day convention.

Notwithstanding any other provision of this Condition 4.4, no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to cause a reduction in or loss of equity credit to occur.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two duly authorised representatives of the Issuer pursuant to Condition 4.4(e), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Securityholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged to agree to any Benchmark Amendments which, in the sole opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or (ii) increasing the obligations, responsibilities or duties, or decreasing the protections, of the Trustee under the Trust Deed and/or the Conditions in any way.

(e) Notices etc

Any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4.4 will be notified promptly by the Issuer to the Trustee, the Principal Paying Agent and the Agent Bank and, in accordance with Condition 12 (*Notices*), the Securityholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two duly authorised representatives of the Issuer:

(a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the

Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 4.4; and

(b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's, the Agent Bank's or the Principal Paying Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Securityholders.

(f) Survival of EUR 5 year Swap Rate

Without prejudice to the obligations of the Issuer under Condition 4.4(a), (b), (c) and (d), the EUR 5 year Swap Rate and the fallback provisions provided for in Condition 4.1(b) will continue to apply unless and until a Benchmark Event has occurred.

5 Payment and Exchanges of Talons

Provisions for payments in respect of Global Securities are set out under "Summary of Provisions Relating to the Securities while represented by the Global Securities" below.

5.1 Payments in respect of Securities

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

5.2 Method of Payment

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

5.3 Missing Unmatured Coupons

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

5.4 Payments subject to Applicable Laws

Payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer or its agents agree to be subject and, save as provided in Condition 8 below, the Issuer will not be liable for any Taxes imposed or levied by such laws, regulations or agreements.

5.5 Payment only on a Presentation Date

A holder shall be entitled to present a Security or Coupon for payment only on a Presentation Date and shall not be entitled to any further interest or other payment if a Presentation Date is after the due date for payment of any amount in respect of any Security or Coupon.

"**Presentation Date**" means a day which (subject to Condition 9):

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

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

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

5.6 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 9. Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

5.7 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

(a) there will at all times be a Principal Paying Agent;

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

(c) there will at all times be an Agent Bank.

Notice of any termination or appointment and of any changes in specified offices will be given to the Securityholders promptly by the Issuer in accordance with Condition 12.

6 Redemption and Purchase

6.1 No fixed redemption

Unless previously redeemed or purchased and cancelled as provided below, the Securities will become due and payable and will be redeemed on the date on which a winding up, dissolution or liquidation of the Issuer (otherwise than for the purpose of a solvent amalgamation, merger or reconstruction under which the assets and liabilities of the Issuer are assumed by the entity resulting from such amalgamation, merger or reconstruction and such entity assumes the obligations of the Issuer in respect of the Securities in accordance with Condition 13.2) is instituted (the "**Liquidation Event Date**"), including in connection with any Insolvency Proceedings, in accordance with (i) any applicable legal provision, or any decision of any judicial or administrative authority, or (ii) any resolution passed at a shareholders' meeting of the Issuer or (iii) any provision which is set out in the by-laws of the Issuer from time to time (including the maturity of the Issuer which, as of the Issue Date, is set in its by-laws at 31 December 2100). Upon having become due and payable according to the provisions above, the Securities will be

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

6.2 Optional Redemption

The Issuer may redeem all of the Securities (but not some only) on any date during the period commencing on (and including) the First Par Call Date and ending on (and including) the First Reset Date or upon any Interest Payment Date thereafter (each such date, a "**Par Call Date**"), in each case at their principal amount together with any accrued interest up to (but excluding) the relevant Par Call Date and any outstanding Arrears of Interest, on giving not less than 10 and not more than 60 calendar days' notice to the Securityholders in accordance with Condition 12.

6.3 Early Redemption following a Withholding Tax Event

(a) If a Withholding Tax Event occurs, the Issuer may redeem all (but not some only) of the Securities at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice to the Trustee and the Securityholders in accordance with Condition 12, provided that no such notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay Additional Amounts were a payment in respect of the Securities then due.

(b) Prior to giving a notice to the Securityholders pursuant to this Condition 6.3, the Issuer will deliver to the Trustee in a form and with content reasonably satisfactory to the Trustee:

(i) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem the Securities in accordance with this Condition 6.3 have been satisfied; and

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

and the Trustee shall be entitled to accept and rely on the above certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above and the facts set out therein in which event the same shall be conclusive and binding on the Securityholders and the Couponholders.

6.4 Early Redemption following a Tax Deductibility Event

(a) If a Tax Deductibility Event occurs, the Issuer may redeem all (but not some only) of the Securities at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Trustee and the Securityholders in accordance with Condition 12.

(b) Prior to giving a notice to the Securityholders pursuant to this Condition 6.4, the Issuer will deliver to the Trustee in a form and with content reasonably satisfactory to the Trustee:

(i) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem the Securities in accordance with this Condition 6.4 have been satisfied; and

(ii) an opinion of an independent legal or tax adviser, appointed by the Issuer at its own expense, of recognised standing in the jurisdiction of incorporation of the Issuer to the effect that payments

of interest by the Issuer in respect of the Securities are no longer, or within 90 calendar days of the date of that opinion will no longer be, deductible in whole or in part for Italian corporate income tax purposes as a result of a Tax Law Change,

and the Trustee shall be entitled to accept and rely on the above certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above and the facts set out therein in which event the same shall be conclusive and binding on the Securityholders and the Couponholders.

6.5 Early Redemption following a Rating Methodology Event

(a) If a Rating Methodology Event occurs, the Issuer may redeem all (but not some only) of the Securities at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Trustee and the Securityholders in accordance with Condition 12.

(b) Prior to giving a notice to the Securityholders pursuant to this Condition 6.5, the Issuer will deliver to the Trustee in a form and with content reasonably satisfactory to the Trustee:

(i) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem the Securities in accordance with this Condition 6.5 have been satisfied; and

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

and the Trustee shall be entitled to accept and rely on the above certificate and, if applicable, copy of the Rating Agency Confirmation as sufficient evidence of the satisfaction of the conditions precedent set out above and the facts set out therein, in which event the same shall be conclusive and binding on the Securityholders and the Couponholders.

6.6 Early Redemption upon the occurrence of an Accounting Event

(a) If an Accounting Event occurs, the Issuer may redeem all (but not some only) of the Securities at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Trustee and the Securityholders in accordance with Condition 12.

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

(b) Prior to giving a notice to the Securityholders pursuant to this Condition 6.6, the Issuer will deliver to the Trustee in a form and with content reasonably satisfactory to the Trustee:

(i) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem the Securities in accordance with this Condition 6.6 have been satisfied; and

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

and the Trustee shall be entitled to accept and rely on the above certificate and opinion, letter or report as sufficient evidence of the satisfaction of the conditions precedent set out above and the facts set out

therein, in which event the same shall be conclusive and binding on the Securityholders and the Couponholders.

6.7 Make-whole redemption at the option of the Issuer

The Issuer may redeem all (but not some only) of the Securities on any day prior to the First Par Call Date at the applicable Make-whole Redemption Amount on giving not less than 10 and not more than 60 calendar days' notice (which shall specify the date fixed for redemption (the "**Make-whole Redemption Date**")) to the Trustee and the Securityholders in accordance with Condition 12.

6.8 Purchases and Substantial Repurchase Event

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

If a Substantial Repurchase Event occurs, the Issuer may redeem all (but not some only) of the outstanding Securities at any time at the applicable Early Redemption Price, subject to the Issuer having given the Trustee and the Securityholders not less than 10 and not more than 60 calendar days' notice in accordance with Condition 12.

6.9 Cancellations

All Securities which are redeemed or exchanged pursuant to Condition 7 (*Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*) will forthwith be cancelled, together with all unmatured Coupons attached to the Securities or surrendered with the Securities at the time of redemption. All Securities so cancelled and any Securities purchased and cancelled pursuant to Condition 6.8 above shall be forwarded to the Principal Paying Agent and accordingly may not be held, reissued or resold.

6.10 Notices Final

A notice of redemption given pursuant to any of Conditions 6.2, 6.3, 6.4, 6.5, 6.6, 6.7 or 6.8 shall be irrevocable and upon the expiry of any such notice, the Issuer shall be bound to redeem the Securities in accordance with the terms of the relevant Condition.

The following does not form a part of these Conditions:

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

(i) the rating (or such similar nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating assigned to the Issuer on the date of the most recent hybrid security issuance (excluding any refinancing) which was assigned by S&P an "equity credit" similar to the Securities and the Issuer is of the view that such rating would not fall below this level as a result of such redemption or repurchase; or

(ii) in the case of a repurchase or redemption, taken together with relevant repurchases or redemptions of hybrid securities of the Issuer, such repurchase or redemption is less than 10 per cent. of the aggregate principal amount of the Issuer's hybrid securities in any period of 12 consecutive months and, in any case, less than 25 per cent. of the aggregate principal amount of the Issuer's hybrid securities in any period of 10 consecutive years; or

(iii) the Securities are redeemed pursuant to a Tax Deductibility Event or a Withholding Tax Event, or an Accounting Event or a Substantial Repurchase Event or a Rating Methodology Event; or

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

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

(vi) such redemption or repurchase occurs on or after the Reset Date falling on 14 January 2055.

7 Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation

7.1 If the Issuer determines that a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or an Accounting Event has occurred and is continuing, and has provided the Trustee with the relevant certificate and opinion, or in the case of Condition 6.5 only, the Rating Agency Confirmation, pursuant to Condition 6.3, 6.4, 6.5 or 6.6 (as applicable), then the Issuer may, subject to Condition 7.2 below (without any requirement for the consent or approval of the Securityholders or Couponholders), subject to its having satisfied the Trustee immediately prior to the giving of any notice referred to herein that the provisions of this Condition 7 have been complied with and having given not less than 10 nor more than 60 Business Days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 12 (Notices), to the Securityholders (which notice shall be irrevocable), as an alternative to an early redemption of the Securities at any time:

(i) exchange the Securities (the "**Exchanged Securities**"), or

(ii) vary the terms of the Securities (the "**Varied Securities**"),

so that:

(A) in the case of a Tax Deductibility Event, the Issuer is entitled to claim a deduction or a higher deduction (as the case may be) in respect of interest paid when computing its tax liabilities for Italian corporation income tax purposes as compared with the entitlement (in the case of the Issuer) after the occurrence of the relevant Tax Deductibility Event,

(B) in the case of a Withholding Tax Event, in making any payments in respect of the Exchanged Securities or Varied Securities the Issuer is only required to pay lesser or no Additional Amounts in respect of the Exchanged Securities or Varied Securities,

(C) in the case of an Accounting Event, immediately following such exchange or variation, no Accounting Event applies in respect of the Exchanged Securities or Varied Securities, as the case may be, or

(D) in the case of a Rating Methodology Event, immediately following such exchange or variation, no Rating Methodology Event applies in respect of the Exchanged Securities or Varied Securities, as the case may be,

and the Trustee shall, subject to the following provisions of this Condition 7, and subject to the receipt by it of the certificate by two duly authorised representatives of the Issuer referred to in Condition 7.2 below, agree to such exchange or variation.

Upon expiry of such notice, the Issuer shall either vary the terms of or, as the case may be, exchange the Securities in accordance with this Condition 7 and cancel such Exchanged Securities.

The Trustee shall (at the expense of the Issuer) enter into a supplemental trust deed and/or supplemental agency agreement with the Issuer (including indemnities satisfactory to the Trustee) solely in order to effect the exchange of the Securities, or the variation of the terms of the Securities, provided that the Trustee shall not be obliged to enter into such supplemental trust deed and/or supplemental agency agreement if the terms of the Exchanged Securities or the Varied Securities would impose, in the Trustee's opinion, more onerous obligations upon it or expose it to liabilities or reduce its protections. If the Trustee does not enter into such supplemental trust deed and/or supplemental agency agreement (and the Trustee shall have no liability or responsibility to any person if it does not do so), the Issuer may redeem the Securities as provided in Condition 6 (Redemption and Purchase).

7.2 Any such exchange or variation shall be subject to the following conditions:

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

(ii) the Issuer paying any outstanding Arrears of Interest in full prior to such exchange or variation or providing for the accrual of an amount equal to the Arrears of Interest under the terms of the Exchanged Securities or the Varied Securities (as applicable);

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

(iv) the terms of the exchange or variation, in the sole opinion of the Issuer (acting reasonably) not being prejudicial to the interests of the Securityholders, including compliance with (iii) above, as certified to the Trustee by two duly authorised representatives of the Issuer, having consulted in good faith with an independent financial institution of international repute or an independent financial adviser experienced in the international capital markets, and any such certificate shall be final and binding on all parties;

(v) the preconditions to exchange or variation set out in the Trust Deed having been satisfied, including the issue of legal opinions addressed to the Trustee (in form and substance satisfactory to the Trustee) (copies of which shall be made available to the Securityholders by appointment at the specified offices of the Trustee during usual office hours or at the Trustee's option may be provided by email to such holder requesting copies of such documents, subject to the Trustee (as applicable) being supplied by the Issuer with copies of such documents) from one or more international law firms of good reputation selected by the Issuer and confirming (x) that the Issuer has capacity to assume all rights, duties and obligations under the Exchanged Securities or Varied Securities (as the case may be) and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations and (y) the legality, validity and enforceability of the Exchanged Securities or Varied Securities; and

(vi) the delivery to the Trustee of a certificate signed by two duly authorised representatives of the Issuer certifying each of the points set out in paragraphs (i) to (v) above.

The Trustee may rely absolutely upon and shall be entitled to accept such certificates and any such opinions, as are referred to in this Condition 7, without any liability to any person for so doing and without any further inquiry as sufficient evidence of the satisfaction of the criteria set out in such paragraphs, in which event it shall be conclusive and binding on the Securityholders and the Couponholders.

8 Taxation

8.1 Payment without Withholding

All payments of principal, premium and interest in respect of the Securities and Coupons by the Issuer will be made without withholding or deduction for or on account of any Taxes imposed or levied by or on behalf of any Tax Jurisdiction, unless such withholding or deduction of the Taxes is required by law. In such event, the Issuer will pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the Securityholders and Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Securities or, as the case may be, Coupons in the absence of such withholding or deduction; except that no Additional Amounts shall be payable:

(a) in respect of any Security or Coupon presented for payment

(i) in any Tax Jurisdiction; or

(ii) by or on behalf of a holder who is liable for such Taxes in respect of such Security or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Security or Coupon; or

(iii) by or on behalf of a holder who would be able to avoid such withholding or deduction by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence, but fails to do so; or

(iv) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an Additional Amount on presenting the same for payment on such thirtieth day assuming that day to have been a Presentation Date (as defined in Condition 5); or

(b) in relation to any payment or deduction on account of *imposta sostitutiva* pursuant to Decree No. 239 as amended, supplemented and/or replaced from time to time or, for the avoidance of doubt, Decree No. 461 as amended, supplemented and/or replaced from time to time; or

(c) in all circumstances in which the procedures set forth in Decree No. 239 in order to benefit from a tax exemption have not been met or duly and timely complied with; or

(d) in the event of payment by the Issuer to a non-Italian resident holder, to the extent that the holder is not listed under Article 6 of Decree No. 239 and/or is resident in a country which does not allow for a satisfactory exchange of information with the Italian authorities; or

(e) any combination of the above.

Notwithstanding anything to the contrary contained herein, the Issuer (and any other person making payments on behalf of the Issuer) shall be entitled to withhold and deduct any amounts required to be deducted or withheld pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to (i) Sections 1471 through 1474 of the Code, or (ii) any regulations thereunder or official interpretations thereof, or (iii) an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof, or (iv) any law implementing such an intergovernmental agreement (any such withholding or deduction, a "**FATCA Withholding**"), and no person shall be required to pay any additional amounts in respect of FATCA Withholding.

8.2 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Securities shall be deemed also to refer to any Additional Amounts which may be payable under this Condition or under any undertakings given in addition to, or in substitution for, this Condition pursuant to the Trust Deed.

9 Prescription

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

10 Enforcement on the Liquidation Event Date and No Events of Default

10.1 No Events of Default

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

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

On or following the Liquidation Event Date, no payments will be made in relation to the Junior Securities of the Issuer before all amounts due, but unpaid, on the Securities have been paid by the Issuer.

10.2 Enforcement on the Liquidation Event Date

On or following the Liquidation Event Date, the Trustee at its sole discretion and subject to Condition 10.3 may (subject to its being indemnified and/or secured and/or prefunded to its satisfaction), institute steps in order to obtain a judgment against the Issuer for any amounts due and payable in respect of the Securities, including the institution of Insolvency Proceedings against the Issuer or the filing of a proof of claim and participation in any Insolvency Proceedings or proceedings for the liquidation, dissolution or winding-up of the Issuer (in which Insolvency Proceedings, liquidation, dissolution or winding-up the Securities shall immediately be due and payable at their principal amount together with any accrued but unpaid interest up to (but excluding) the date on which the Securities become so due and payable and any outstanding Arrears of Interest).

10.3 Enforcement by the Trustee

(a) Subject to sub-paragraph (b) below, the Trustee may at its discretion and without further notice, take such steps, actions or proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Securities and the Coupons, but in no event shall the Issuer, by virtue of the initiation of any such steps, actions or proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

(b) The Trustee shall not be bound to take any action referred to in Conditions 10.2 or 10.3(a) above or any other action or steps under or pursuant to the Trust Deed, the Securities or the Coupons unless (a) it has been so directed by an extraordinary resolution of the Securityholders or so requested in writing by the holders of at least one-quarter in principal amount of the Securities then outstanding and (b) it has been indemnified and/or secured and/or prefunded to its satisfaction.

10.4 Enforcement by the Securityholders

No Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or to institute any Insolvency Proceedings against the Issuer or to file a proof of claim and participate in any Insolvency Proceedings or institute proceedings for the liquidation, dissolution or winding-up of the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing, in which case the Securityholder or Couponholder shall have only such rights against the Issuer as those which the Trustee would have been entitled to exercise pursuant to this Condition 10.

10.5 Limitation on remedies

No remedy against the Issuer, other than as referred to in this Condition 10, shall be available to the Trustee, the Securityholders and the Couponholders, whether for the recovery of amounts due in respect of the Securities or under the Trust Deed or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Securities, the Coupons and the Trust Deed.

11 Replacement of Securities and Coupons

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

12 Notices

All notices regarding the Securities will be deemed to be validly given (a) if published in a leading English language daily newspaper of general circulation in London and Ireland (it is expected that such publication will

be made in the *Financial Times* in London and the *Irish Times* in Ireland) and (b) if and for so long as the Securities are admitted to trading on, and listed on Euronext Dublin, on Euronext Dublin's website, https://www.euronext.com/en/markets/dublin. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange (or any other relevant authority) on which the Securities 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. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve. Couponholders will be deemed for all purposes to have notice of the contents of any notices given to the Securityholders in accordance with this paragraph.

13 Meetings of Securityholders, Modification, Waiver, Authorisation, Determination and Substitution of the Issuer

13.1 Meetings of Securityholders

The Trust Deed contains provisions consistent with the laws, legislation, rules and regulations of the Republic of Italy (including without limitation Legislative Decree No. 58 of 24 February 1998, as amended) for convening meetings of the Securityholders to consider any matter affecting their interests, including any modifications of the Conditions or of any provisions of the Trust Deed.

According to the laws, legislation, rules and regulations of the Republic of Italy, such meetings will be validly held as a single call meeting or, if the Issuer's by-laws provide for multiple calls, as a multiple call meeting, if (i) in the case of a single call meeting, there are one or more persons present, being or representing Securityholders holding at least one-fifth of the aggregate nominal amount of the Securities, for the time being outstanding, or such a higher quorum as may be provided for in the Issuer's by-laws, or (ii) in the case of a multiple call meeting, (a) there are one or more persons present being or representing Securityholders holding not less than one-half of the aggregate nominal amount of the Securities, for the time being outstanding; (b) in case of an adjourned meeting, there are one or more persons present being or representing Securityholders holding more than one-third of the aggregate nominal amount of the Securities for the time being outstanding; and (c) in the case of any further adjourned meeting, there are one or more persons present being or representing Securityholders holding at least one- fifth of the aggregate nominal amount of the Securities for the time being outstanding, provided that the Issuer's by-laws may in each case (to the extent permitted under the applicable laws and regulations of the Republic of Italy) provide for a higher quorum.

The majority to pass a resolution at any meeting (including, where applicable, an adjourned meeting) will be at least two-thirds of the aggregate nominal amount of the outstanding Securities represented at the meeting; provided however that (A) certain proposals, as set out in Article 2415 of the Italian Civil Code (including, for the avoidance of doubt, (a) any modification of the method of calculating the amount payable or modification of the date fixed for redemption or any date for payment of interest or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of the Securities or change of the subordination provisions of the Trust Deed and (b) any alteration of the currency in which payments under the Securities are to be made or the denomination of the Securities) may only be sanctioned by a resolution passed at a meeting of the Securityholders by the higher of (i) one or more persons holding or representing not less than one half of the aggregate nominal amount of the outstanding Securities, and (ii) one or more persons holding or representing not less than two thirds of the Securities represented at the meeting and (B) the Issuer's by-laws may in each case (to the extent permitted under applicable Italian law) provide for higher majorities.

Resolutions passed at any meeting of the Securityholders shall be binding on all Securityholders, whether or not they are present at the meeting and on all Couponholders. In accordance with the Italian

Civil Code, a *rappresentante comune*, being a joint representative of Securityholders, may be appointed in accordance with Article 2417 of the Italian Civil Code in order to represent the Securityholders' interest hereunder and to give execution to the resolutions of the meeting of the Securityholders.

13.2 Substitution of the Issuer

(a) The Trustee may, without the consent of the Securityholders or the Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition 13.2) as the principal debtor under the Securities, Coupons and the Trust Deed of another company, being any entity that will succeed to, or to which the Issuer (or those of any previous substitute under this Condition 13.2) will transfer, all or substantially all of its assets and business (or any previous substitute under this Condition 13.2) by operation of law, contract or otherwise, subject to (i) the Trustee being satisfied that such substitution does not result in the substituted issuer having an entitlement, as at the date on which such substitution becomes effective, to redeem the Securities pursuant to Conditions 6.3, 6.4, 6.5 or 6.6, and (ii) certain other conditions set out in the Trust Deed being satisfied.

(b) The Issuer has covenanted in the Trust Deed that, for so long as the Securities remain outstanding, it will not consolidate or merge out of existence with another company or firm or sell or lease all or substantially all of its assets to another company unless (i) if the Issuer merges out of existence or sells or leases all or substantially all of its assets, the other company assumes all the then-existing obligations of the Issuer (including, without limitation, all obligations under the Securities and the Trust Deed), either by law or contractual arrangements and (ii) certain other conditions set out in the Trust Deed are complied with.

(c) As long as the Securities (i) are admitted to trading on the regulated market of Euronext Dublin and/or listed on the official list of Euronext Dublin, and/or (ii) are admitted to trading on, and/or to listing on, any other Listing Venue, in the case of such a substitution, the Issuer will give notice of any substitution pursuant to Condition 13.2(a) above to Euronext Dublin and/or to such Listing Venue and, as soon as reasonably practicable but in any event not later than 30 calendar days after the execution of such documents required by, and the compliance with such other requirements of, the Trust Deed in connection with the substitution, notice of such substitution will be given to the Securityholders by the Issuer in a form previously approved by the Trustee in accordance with Condition 12, in which event the substitution shall be conclusive and binding on the Securityholders and the Couponholders.

13.3 Waiver, authorisation, determination and exercise by the Trustee of discretions etc.

The Trustee (i) may agree, without the consent of the Securityholders or Couponholders, to any modification (except as set out in the Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Securities or the Trust Deed where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Securityholders or (ii) may agree, without any such consent as aforesaid, to any modification which is, in the opinion of the Trustee, of a formal, minor or technical nature or to correct an error which is manifest. Any such modification, waiver, authorisation or determination shall be binding on the Securityholders and the Couponholders and, unless the Trustee otherwise agrees, any such modification shall be notified to the Securityholders in accordance with Condition 12 as soon as practicable thereafter.

13.4 Trustee to have Regard to Interests of Securityholders as a Class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Securityholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Securityholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Securityholders or Couponholders (whatever their

number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political subdivision thereof and the Trustee shall not be entitled to require, nor shall any Securityholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Securityholders or Couponholders except to the extent already provided for in Condition 8 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 8 pursuant to the Trust Deed.

14 Indemnification of the Trustee and its Contracting with the Issuer

14.1 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

14.2 Trustee Contracting with the Issuer

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any Subsidiary and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any Subsidiary, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Securityholders or Couponholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

15 Further Issues

The Issuer is at liberty from time to time without the consent of the Securityholders or Couponholders to create and issue further securities or bonds (whether in bearer or registered form) either (a) ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding securities or bonds of any series (including the Securities) constituted by the Trust Deed or any supplemental deed or (b) upon such terms as to ranking, interest, conversion, redemption and otherwise as the Issuer may determine at the time of the issue. Any further securities or bonds which are to form a single series with the outstanding securities or bonds of any series (including the Securities) constituted by the Trust Deed or any supplemental deed shall, and any other further securities or bonds may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Securityholders and the holders of securities or bonds of other series in certain circumstances where the Trustee so decides.

16 Governing Law and Submission to Jurisdiction

16.1 Governing Law

The Trust Deed, the Securities and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Securities and the Coupons are governed by, and shall be construed in accordance with, English law, except for Conditions 3.1 and 3.2, which are each governed by Italian law. Condition 13.1 and the provisions of the Trust Deed concerning the meeting of Securityholders and the appointment of the *rappresentante comune* in respect of the Securities are subject to compliance with Italian law.

16.2 Jurisdiction of English Courts

The courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Securities or the Coupons (including any disputes relating to any non-contractual obligations which may arise out of or in connection with the Trust Deed, the Securities or the Coupons) and accordingly each of the Issuer, the Trustee, the Securityholders and the Couponholders, in the Trust Deed, has submitted to the exclusive jurisdiction of the English courts and waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum.

16.3 Appointment of Process Agent

The Issuer has, in the Trust Deed, irrevocably and unconditionally appointed Law Debenture Corporate Services Limited at its registered office at 8th Floor 100 Bishopsgate, London, EC2N 4AG, United Kingdom as its agent for service of process and undertakes that, in the event of Law Debenture Corporate Services Limited ceasing so to act or ceasing to be registered in England, it will appoint another person approved by the Trustee as its agent for service of process in England in respect of any proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

17 Rights of Third Parties

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any of these Conditions or any other term of this Security, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

DESCRIPTION OF THE ISSUER

Please refer to the information on ENEL and the ENEL Group in the documents incorporated herein by reference as set out in the "*Incorporation by Reference*" section, including (without limitation) the section of the EMTN Base Prospectus entitled "*Description of Enel*".

OVERVIEW OF THE APPLICABLE ITALIAN INSOLVENCY LAWS REGIME IN FORCE

The Italian Insolvency Laws and regulations have recently been replaced by a new comprehensive legal framework in order to regulate, *inter alia*, insolvency matters (so called "**Code of Business Crisis and Insolvency**" or the "**Insolvency Code**"). More specifically, the Italian government approved on 12 January 2019 Legislative Decree No. 14 of 12 January 2019 implementing the guidelines contained in Law No. 155 dated 19 October 2017 contending the scheme of a new comprehensive legal framework in order to regulate, *inter alia*, insolvency matters, which enacts the Insolvency Code. The Legislative Decree was published in the Gazzetta Ufficiale on 14 February 2019 no. 38—Suppl. Ordinario no. 6.

The main innovations introduced by the Insolvency Code include, *inter alia*: (i) the elimination of the term "bankrupt" (*fallito*) due to its negative connotation and the replacement of bankruptcy proceedings (*fallimento*) with a judicial liquidation (*liquidazione giudiziale*); (ii) a new definition of "state of crisis"; (iii) the adoption of the same procedural framework in order to ascertain such state of crisis and to access the different judicial insolvency proceedings provided for by the same Insolvency Code; (iv) the adoption of definition of debtor's "centre of main interest" as provided in the new set of rules concerning group restructurings (the so-called COMI); (v) restrictions to the use of the composition with creditors aimed to the liquidation of the company (*concordato preventivo liquidatorio*) in order to favour going concern proceedings; (vi) the introduction of provisions dedicated to the group of companies; (vii) jurisdiction of specialized courts over proceedings involving large debtors; (viii) the introductions of specific provisions in relation to the adoption of the measures and arrangements aimed at the early detection of business crisis; (ix) the introduction of a new crisis settlement procedure (*composizione negoziata della crisi*); (x) the introduction of the restructuring plan subject to homologation (*piano di ristrutturazione soggetto ad omologazione*) among the restructuring tools and frameworks (*strumenti di regolazione della crisi e dell'insolvenza della società*); and (xi) amendments to certain provisions of the Italian Civil Code aimed at ensuring the general effectiveness of the reform.

The Insolvency Code has been amended and supplemented, *inter alia*, by Legislative Decree No. 147 of 26 October 2020 (as amended and supplemented by Legislative Decree No. 83 of 17 June 2022), Law Decree No. 69 of 13 June 2023 (as converted by Law No. 103 of 10 August 2023), Legislative Decree No. 224 of 6 December 2023, and most recently by the Legislative Decree No. 136 of 13 September 2024, providing the corrective interventions to the Insolvency Code.

Except for minor changes in some provisions of the Italian Civil Code, which entered into force on 16 March 2019, in response to Covid-19 pandemic, the main provisions set out in the Insolvency Code were expected to come into force 18 months after its publication in the Gazzetta Ufficiale (*i.e.*, on 15 August 2020); the entry into force of Insolvency Code has been originally postponed to 1 September 2021, according to article 5 of Law Decree No. 23 of 8 April 2020 as converted by Law No. 40 of 5 June 2020 (the "**Liquidity Decree**"), then, pursuant to Law Decree No. 118 dated 24 August 2021, published in the Gazzetta Ufficiale No. 2021 of 24 August 2021, as converted into law pursuant to L. n. 147 of 21 October 2021, published in the Gazzetta Ufficiale No. 253 of 23 October 2021 (the "**Decree 118/2021**") to 16 May 2022, and now it is effective from 15 July 2022.

Furthermore, please note that the Decree 118/2021, *inter alia*, has introduced the negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) and the simplified composition with creditors proceeding (*concordato semplificato per la liquidazione del patrimonio*) for the liquidation of the assets (please consider that such tools are now provided under Title II - First Part of the Insolvency Code).

On 15 July 2022, the Insolvency Code, as amended and supplemented from time to time, came – entirely – into force, without prejudice to the transitory rules provided under article 390 for the applications and insolvency proceedings already pending/opened pursuant to the Royal Decree No. 267 of 16 March 1942, as amended from time to time (the "**Bankruptcy Law**").

As noted above, on 27 September 2024, the Insolvency Code has been newly amended by the Legislative Decree No. 136 of 13 September 2024, entered into force on 28 September 2024 ("**Decree 136/2024**"). The Decree 227/2024 applies to all the proceedings pending as of its effective date, as well as those initiated thereafter, with the sole exception of the provisions related to the new tax settlements, which apply only to proposals submitted after the Decree 136/2024's effective date.

Tools provided under Italian Insolvency Laws

Below is a brief description of the main provisions of the following type of proceedings provided under Insolvency Code which, after the entry into force of the latter (on 15 July 2022), has superseded the Bankruptcy Law:

(a) judicial liquidation (*liquidazione giudiziale*) under the Insolvency Code;

(b) composition with creditors (*concordato preventivo*) under the Insolvency Code and composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*) negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) under the Insolvency Code;

(c) simplified composition with creditors proceeding (*concordato semplificato per la liquidazione del patrimonio*) under the Insolvency Code;

(d) certified restructuring plans (*piani attestati di risanamento*) under the Insolvency Code;

(e) debt-restructuring agreements (*accordi di ristrutturazione dei debiti*) under the Insolvency Code;

(f) restructuring plans subject to homologation (*piani di ristrutturazione soggetti a omologazione*) under the Insolvency Code.

The abovementioned restructuring/insolvency tools are available under Insolvency Code for insolvent companies or a debtor in a state of crisis, as the case may be, and, in certain cases, also to debtors experiencing an economic or financial imbalance such as to make it likely that a state of crisis and/or distress or their insolvency will occur.

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

Furthermore, please find below a brief summary of the following proceedings, which are available to large companies:

(a) extraordinary administration for large insolvent companies (*amministrazione straordinaria delle grandi imprese insolventi*), under Legislative Decree No. 270 of 8 July 1999, as amended ("**Decree 270**");

(b) extraordinary administration for the industrial restructuring of large insolvent companies (*amministrazione straordinaria per la ristrutturazione industriale delle grandi imprese insolventi*), under Law Decree No. 347 of 23 December, 2003, converted into law, with amendments, by Law No. 39 of 18 February 2004, as amended ("**Decree 347**"). For businesses performing essential public services, this type of proceedings would also be subject to Law Decree 134 of 28 August 2008 ("**Decree 134**");

(c) compulsory administrative liquidation procedure (*procedura di liquidazione coatta amministrativa*) to which may be subject certain public interest entities (including, *inter alia*, insurance companies, credit institutions and other financial institutions).

Depending on the type of proceeding to be initiated, the primary aims of restructuring and insolvency proceedings under Italian law are, respectively and alternatively, to successfully restructure or sell the debtor's assets as a going concern (as to the restructuring proceedings) or to liquidate the debtor's assets for the satisfaction of creditor's claims as well as, in case of the procedures under Decree 270 and / or Decree 347, to retain employment, to the extent feasible. These competing aims have often been balanced by selling businesses as going concerns and ensuring that employees are transferred along with the businesses being sold.

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

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

Definition of "insolvency" and "crisis" under the Insolvency Code

The Insolvency Code introduced a specific concept of crisis, which is defined under article 2, letter (a) of the Insolvency Code as the state of the debtor that makes the insolvency probable, and manifests itself through the inadequacy of the prospective cash flows to fulfil obligations over the following twelve months.

Insolvency (*insolvenza*) is defined under article 2, letter (b) of the Insolvency Code as the inability of the debtor to regularly meet its obligations as they fall due, evidenced by defaults and/or other external elements. Under Italian law, the state of insolvency of a company is ascertained and declared by a court. Both insolvency and crisis are factual situations upon the occurrence of which different instruments provided for by the Insolvency Code may be activated.

Judicial liquidation (*liquidazione giudiziale*) under the Insolvency Code

The judicial liquidation (*liquidazione giudiziale*) pursuant to the Insolvency Code is a court-supervised procedure aimed at the liquidation of the insolvent company's assets and for the distribution of the related proceeds.

Pursuant to the Insolvency Code, the judicial liquidation is declared by the competent court and is applicable recurring two requirements:

(i) an objective requirement, which is met if any of the following thresholds are met: (a) annual balance sheet assets (*attivo patrimoniale*) greater than Euro 300,000 in the last three financial years (from the date on which the petition for judicial liquidation was filed) or from the establishment of the company if it has been incorporated less than three years before the petition for judicial liquidation; (b) annual gross proceeds (*ricavi lordi*) greater than Euro 200,000 over the last three financial years (from the date on which the petition for judicial liquidation was filed) or from the establishment of the company if it has been incorporated less than three years before the petition for judicial liquidation; or (c) indebtedness (including debt that is not overdue and payable) greater than Euro 500,000; and

(ii) a subjective requirement, which is met when the debtor is a commercial enterprise (*imprenditore commerciale*) carrying out commercial activity and is "insolvent" (*i.e.* no longer able to regularly meet its obligations with ordinary means as they come due).

The judicial liquidation is opened and declared by the competent Court upon a specific petition that can be filed by (i) the debtor itself; (ii) the administrative bodies and authorities that have control and supervisory functions over the company; (iii) one or more creditor; and (iv) in certain cases, the public prosecutor.

Upon opening the judicial liquidation proceeding, the Courts (*inter alia*) appoint a receiver and the debtor loses control over all its assets and over the management of its business which is taken over by the court-appointed receiver (*curatore nella liquidazione giudiziale*). The court-appointed receiver in not a representative of the creditors but is responsible for the liquidation of the assets of the debtor for the satisfaction of the creditors.

The judicial liquidation can also be supervised by a creditors' committee (*comitato dei creditori*) which, as specifically provided for by law, has in some cases power over the judicial receiver and, in general, consultation functions over the latter and vigilance authority over the judicial liquidation proceedings.

As a general rule, starting from the opening date of the judicial liquidation, stay of action applies and no enforcement and interim proceedings can be brought or continued against the debtor over the assets included in the estate. Specific exceptions by operation of law apply for certain claims secured by mortgages, pledges or guarantees among which, *inter alia*:

(i) mortgages securing loans pursuant to articles 38 and ff. of Italian Consolidated Banking Law (so-called "*mutuo fondiario"*): such mortgages may be enforced by the lender also after the opening of judicial liquidation vis-à-vis the debtor;

(ii) pledges pursuant to Decree No. 170 of 21 May 2004 (so-called «financial pledge» *(pegno finanziario)*: upon occurrence of an enforcement event, the relevant secured creditor may immediately sell the pledged financial assets and retain an amount equal to the secured obligation, even if an insolvency proceeding has been opened;

(iii) pledges over movable assets: creditors secured by pledges over movable assets of the debtor may be authorized to sell the pledged assets during the procedure, after admission to the statement of liabilities (*ammissione allo stato passivo*) with secured ranking;

(iv) third-parties guarantees: even after the opening of judicial liquidation, creditors may decide to enforce any guarantees (and/or security-interests) granted by third-parties in the interest of the bankrupt debtor.

Upon the opening of the judicial liquidation, *inter alia*:

(i) subject to certain exceptions, all actions of creditors are stayed and creditors must file claims within a defined period;

(ii) the administration of the debtor and the management of its assets are transferred to the receiver. The debtor may no longer validly act in court as claimant or defendant in relation to the assets and the receiver is vested with such powers upon the authorization of the delegated judge. However, all pending proceedings in which the debtor is involved are automatically stayed from the date of the opening of the judicial liquidation and need to be re-initiated by or against the receiver;

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

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

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

As to creditors' claims, each creditor must prove its claims before the competent court. The filing of the proof of claim by the creditor is necessary to demonstrate the creditor's right to participate in the liquidation, the amount of its claim and its ranking. The judge delegated by the court (*giudice delegato*), upon proposal of the receiver, will decide which claims are admitted to the statement of liabilities (*stato passivo*), for which amount they are admitted and whether the claims are to be qualified as secured of not. Each creditor may challenge (*opposizione*) the decision of the judge in front of the court. The same procedure applies also to individuals and entities claiming the right to obtain the restitution of assets held by the debtor. The sale of the debtor's assets is carried out by the receiver – or the delegated – through public auctions in compliance with a liquidation program proposed by the receiver and approved by the creditors' committee (if established). Pursuant to the Decree 136/2024, in case of request of non-binding opinions, the opinion of the creditors' committee is deemed favourable if it is not provided within the timeframe requested by the receivers. The receiver is entitled to liquidate the assets of the company and allocate the proceeds to reimburse creditors' claims, according to the principle of equal treatment of creditors (so-called *par condicio creditorum*) and in line with the statutory order of priority among creditors. Under Italian law neither the company nor the court can deviate from the statutory priority rules proposing alternative priorities of claims or subordinating specific claims on the basis of equitable principles; consequently, contractually granted priorities such as those commonly provided for in intercreditor agreements are not enforceable against Italian bankruptcy proceedings in the event that they are inconsistent with mandatory provisions.

The liquidation of a company can take a considerable amount of time, particularly in cases where the company's assets include real estate properties or other illiquid assets. Italian law provides for priority of payments for certain preferred creditors, including the receiver, employees and the Italian tax and social security authorities.

In addition to the above, please note that upon opening of the judicial liquidation, certain acts, payments, guarantees or security interests can be declared ineffective and/or clawed-back under the Insolvency Code. The key avoidance provisions include, but are not limited to, transactions made below market value, preferential transactions and transactions made with an intent to defrauding creditors or to the advantage of one creditor. Claw-back rules under Italian law are normally considered to be particularly favorable to the judicial receiver in judicial liquidation proceedings, as compared to the rules applicable in other jurisdictions.

Transactions which may be set aside through a bankruptcy claw-back action under article 166 of the Insolvency Code can be divided into two categories:

(i) transactions which may be set aside by the receiver, unless the other party proves that it was not aware of the insolvency of the debtor (article 166, para. 1 of the Insolvency Code) and, in particular:

(a) transactions at an undervalue, carried out after the filing followed by the opening of the judicial liquidation proceeding or in the previous year (pursuant to article 290 of the Insolvency Code, such term is extended to 2 years for intercompany transactions);

(b) repayment of a debt by means other than cash or by other customary means of payment after the filing followed by the opening of the judicial liquidation proceeding or in the previous year (pursuant to article 290 of the Insolvency Code, such term is extended to 2 years for intercompany transactions);

(c) pledges and voluntary mortgages granted in the year preceding the filing of judicial liquidation petition to secure pre-existing debts not yet overdue (the same term applies for intercompany transactions);

(d) pledges and judicial or voluntary mortgages created after the filing followed by the opening of the judicial liquidation proceeding or in the prior six months (pursuant to article 290 of the Insolvency Code, such term is extended to 1 year for intercompany transactions).

(ii) transactions carried out after the filing followed by the opening of the judicial liquidation proceeding or in the prior six months, which may be set aside if the receiver proves that the other party was aware of the insolvency of the debtor (article 166, para. 2 of the Insolvency Code) and, in particular:

(a) payments of debts due and payable;

(b) transactions for valuable consideration;

(c) transactions creating priority rights/security interests relating to debts simultaneously incurred.

In addition to the above, under article 166 of the Insolvency Code, the following transactions are exempt from claw back actions:

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

(ii) a remittance on a bank account (*rimesse effettuate su un conto corrente bancario*); provided that it does not materially and permanently reduce the entity's debt towards the bank;

(iii) the sale, including an agreement for sale registered pursuant to article 2645-*bis* of the Italian Civil Code, made for a fair value and concerning a residential property that is intended as the main residence of the purchaser or the purchaser's family (within three degrees of kinship) or a non-residential property that is intended as the main seat of the enterprise of the purchaser; provided that, as at the date of the insolvency declaration, the activity is actually exercised therein or the investments for the commencement of such activity have been carried out therein;

(iv) transactions entered into, payments made or guarantees granted with respect to the debtor's goods, provided that they concern the implementation of a certified restructuring plan (*piano attestato di risanamento*) pursuant to articles 56 or 284 of the Insolvency Code (with the exemptions provided by law). The exemption also operates for the ordinary claw-back;

(v) a transaction entered into, payment made or guarantee or security interests granted in the context of a composition with creditors proceeding (*concordato preventivo*), of a simplified composition with creditors proceeding for the liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*) (as introduced by the Decree 136/2024), of a restructuring plan subject to homologation (*piano di ristrutturazione soggetto ad omologazione*) provided under article 64-*bis* of the Insolvency Code or of homologated debt restructuring agreements with creditors (*accordi di ristrutturazione dei debiti omologati*) and/or transactions entered into, payments made and security interests legitimately granted by the debtor after the filing of the application for a composition with creditors proceeding

(*concordato preventivo*) or of a debt restructuring agreement (*accordo di ristrutturazione dei debiti*). The exemption also operates for the ordinary claw-back;

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

(vii) payments of a debt that is immediately due, payable and made on the due date, with respect to services necessary for access to a restructuring and insolvency tools provided for pursuant to the Insolvency Code.

Pursuant to article 170 of the Insolvency Code, the limitation period for initiating claw-back action proceedings is three years from the opening of the judicial liquidation procedure and, in any case, five years from the act or transaction to be clawed back. In case judicial liquidation is commenced after the filing of a petition to be admitted to any crisis and insolvency regulation tool provided for by the Insolvency Code, according to article 170, paragraph 2 of the Insolvency Code, the hardening period is calculated backward from the date in which such petition is filed.

Under article 165 of the Insolvency Code, which refers to article 2901 of the Italian Civil Code (that – in turn – provides for a general and ordinary claw back action (*revocatoria ordinaria*) – that may be brought against the debtor (and its counterparty) also in case no judicial liquidation proceedings are pending), acts by which the disposals of assets by the debtor (other than payments of due and payable amounts) may be clawed back if the receiver can prove that the debtor was aware of the prejudice that such act would cause to its creditors (including future creditors, to the extent that the act was made in order to create such prejudice) and, to the extent that the act was non-gratuitous act, the counterparty was aware of such prejudice.

In addition, pursuant to article 163 of the Insolvency Code, subject to certain limited exception, all transactions entered into for no consideration are ineffective vis-à-vis creditors if entered into by the debtor after the filing to the relevant court followed by the opening of the judicial liquidation procedure or within the two years preceding the opening of such insolvency proceeding. Any asset subject to a transaction which is ineffective pursuant to article 163 of the Insolvency Code becomes part of the liquidation estate by operation of law upon registration of the court's decision opening the insolvency proceeding (*trascrizione della sentenza che ha dichiarato l'apertura della procedura concorsuale*), without needing to wait for the ineffectiveness of the transaction to be sanctioned by a court. Any interested person may challenge the registration before the delegated judge as a violation of law.

Moreover, under article 164 of the Insolvency Code, *inter alia*, are ineffective vis-à-vis creditors:

(i) payments of receivables falling due on the day of the of the declaration of opening of the judicial liquidation or after such date, if carried out by the debtor after the filing of the application followed by the opening of the insolvency proceeding or in the prior two-year period; and

(ii) payments made by the debtor with respect to any intercompany loan, if carried out by the debtor after the filing of the application followed by the opening of the insolvency proceeding or in the previous year

The Insolvency Code provides special regimes on preferences and avoidances of intra-group transactions. More specifically, under article 290 of the Insolvency Code the limitation period of initiating intra-group claw-back actions (referring to acts and transactions entered into by companies belonging to the same group that they had the effect of shifting resources to another group company to the detriment of creditors, save for certain exceptions) is extended to five years from the judicial liquidation filing.

Article 2929-*bis* of the Italian Civil Code (introduced by virtue of the Law 132/2015) provides for a "simplified" claw-back action with reference to certain types of transactions carried out by the debtor without consideration

(e.g. gratuitous transfers, or creation of shield instruments such as trusts or the so-called *fondo patrimoniale*, "family trust") and with the aim to subtract registered assets from the attachment by its creditors. The creditor can start enforcement proceedings over the relevant assets without previously obtaining a court decision clawing back/ nullifying the relevant fraudulent transaction. In case of gratuitous transfers, the enforcement action can also be carried out by the creditor against the third-party purchaser.

As noted above, under Italian law, the proceeds from the sale of the debtor's estate are distributed according to legal rules of priority. Neither the debtor nor the court can deviate from these priority rules by proposing their own priorities of claims or by subordinating one claim to another based on equitable subordination principles (as a consequence it must be noted that priority of payments such as those commonly provided in intercreditor contractual arrangements may not be enforceable against an Italian judicial liquidation estate to the extent they are inconsistent with the priorities provided by law). The law creates a hierarchy of claims that must be adhered to when distributing the proceeds derived from the sale of the entire debtor's estate or part thereof, or from a single asset. Pursuant to article 221 of the Insolvency Code, *inter alia*, proceeds of liquidation of the assets shall be allocated according to the following order: (i) for the payment of super-senior claims (*crediti prededucibili*) including, inter alia, claims originated in the insolvency proceeding, such as costs related to the procedure); (ii) for the payment of claims which are privileged, such as claims of secured creditors (which are satisfied with priority over all other creditors only with respect to the liquidation proceeds of their collateral); (iii) for the payment of unsecured creditors' claims (*creditori chirografari*), out of available funds and assets (if any); (iv) for the payment of subordinated creditors' claims (*creditori postergati*).

More specific rules are also provided by the law to establish a ranking of priorities within the category of secured creditors, depending on the nature of the claims or of the creditors and the type of the security interest. Under Italian law, the highest priority claims (after the costs of the proceedings are paid) are the claims of preferential creditors, including, *inter alia*, a claim whose priority is legally acquired (i.e., repayment of rescue or interim financing) the claims of the Italian tax authorities and social security administrators, and claims for employee wages. The remaining priorities of claims are, in order of priority, those related to secured creditors (*creditori privilegiati*; a preference in payment in most circumstances, but not exclusively, provided for by law), mortgages (*creditori ipotecari*), pledges (*creditori prignoratizi*) and, lastly, unsecured creditors (*crediti chirografari*).

Composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*) under the Insolvency Code

Pursuant to article 240 of the Insolvency Code, a judicial liquidation proceeding can terminate prior to the company's assets liquidation through a composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*), provided that certain requirements are met. The relevant petition may be filed by one or more creditors or third parties after the opening of the judicial liquidation and also before the issuance of the decree declaring the effectiveness of the statement of liabilities (*decreto che rende esecutivo lo stato passivo*), provided that, on the basis of the accounting data and the other information available, the receiver can draft a provisional list of creditors for approval by the delegated judge, whereas the debtor (or its subsidiaries or companies under common control) is allowed to file such proposal only after one year following the judgement by virtue of which the judicial liquidation has been opened but within two years from the decree declaring the effectiveness of the statement of liabilities (*decreto che rende esecutivo lo stato passivo*), provided that the proposal provides for the granting of resources that increase the value of the assets of at least 10%.

The proposal shall be submitted to the competent judge, shall then be approved by the creditors and finally by the court. In case the court's decree approving the composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*) becomes final (*definitivo*), the court declares the judicial liquidation to be closed and terminated, initiating the execution phase of the composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*). In the context of a composition with creditors in the

judicial liquidation (*concordato nella liquidazione giudiziale*), the competent court supervises both the proposal and execution phases while the judicial receiver, once the liquidation is closed, loses his management functions and retains only supervisory duties over the fulfilment of the terms and the conditions of the arrangement obligations arising from or in connection with the composition with creditors (*concordato nella liquidazione giudiziale*).

The proposal may provide for:

(i) the split of creditors into different classes according to homogeneous legal position and economic interests;

(ii) differential treatment between creditors belonging to different classes, indicating the reasons of such differences;

(iii) debts' rescheduling and the satisfaction of creditors' claims in any manner, including, by way of example, by assignment of assets, assumption (*accollo*) as well as by means of other extraordinary transactions, including the assignment to creditors (as well as to companies in which they have an interest), of shares, quotas or bonds, including those convertible into shares or other financial instruments and debt securities.

The petition may also provide for the possibility that secured claims are paid only in part. However, it is necessary for the plan to provide for their satisfaction to the extent of not less than that which can be realized from the relevant proceeds in the event of a judicial liquidation, having regard to the market value attributable to the assets or rights over which the cause of pre-emption exists.

Where the company in judicial liquidation has issued bonds or financial instruments, the relevant holders shall form a separate class, and therefore each holders has the right to vote on its own.

The proposal of the composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*) must be approved by the creditors' committee and the creditors holding the majority of claims (by value) (and, if classes are formed, by a majority of the claims in a majority of the classes). According to the Decree 136/2024, the court has the authority to approve the composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*) even without the consent of public creditors (cram-down), provided their vote is crucial for reaching the required majority. The court may homologate the composition with creditors in the judicial liquidation if an independent professional certifies that the proposal offers a better outcome for creditors compared to continuing the judicial liquidation.

Secured creditors are not entitled to vote on the proposal, unless (i) they waive their security; or (ii) the composition with creditors provides that they will not receive full satisfaction of the fair market value of their secured assets (please note that such value must be assessed by an independent expert), in which case they can vote only in respect of the portion of their debt affected by the proposal. Final court confirmation is also required.

The composition with creditors (*concordato nella liquidazione giudiziale*), once approved and homologated, is mandatory for: (i) all existing creditors prior to the opening of the judicial liquidation proceeding; and (ii) creditors who have not applied for the admission to the judicial liquidation estate, to whom the guarantees or the security interests given in the composition with creditors (*concordato nella liquidazione giudiziale*) by third parties do not extend.

Upon the termination of the judicial liquidation – following the homologation decree (*decreto di omologa*), which pursuant to article 247 of the Insolvency Code may be challenged and appealed within 30 days from its notification – the debtor returns "*in bonis*".

All acts legally executed under the composition with creditors in the judicial liquidation will remain valid even if the homologation is overturned or annulled; in such cases, however, the judicial liquidation is reopened.

Composition with creditors (*concordato preventivo*) under the Insolvency Code

Prior to the opening of judicial liquidation (*liquidazione giudiziale*), a debtor that is facing a situation of either crisis or insolvency may apply for a composition with creditors proceeding ("*concordato preventivo*") pursuant to Insolvency Code, in order to compose its overall indebtedness and/or reorganize its business, thereby avoiding a declaration of insolvency and the initiation of insolvency proceedings.

Such proposal can be made by a commercial enterprise (*imprenditore commerciale*) which exceeds any of the following thresholds: (i) annual balance sheet assets (*attivo patrimoniale*) greater than Euro 300,000 in the last three financial years (from the date on which the petition for judicial liquidation was filed) or from the establishment of the company if it has been incorporated less than three years before the *concordato* petition; (ii) annual gross proceeds (*ricavi lordi*) greater than Euro 200,000 over the last three financial years (from the date on which the *concordato* petition was filed) or from the establishment of the company if it has been incorporated less than three years before the petition; and (iii) indebtedness (including debt that is not overdue and payable) greater than Euro 500,000.

The company only is allowed to file a petition for the composition with creditors before the competent court, to be identified on the basis of the location of the company's main centre of interest (the so-called *COMI*). The petition must be filed together with a number of mandatory documents and annexes, among which, *inter alia*, a plan, the content of which shall meet specific requirements set forth under the Insolvency Code including, without limitation, description of the reasons why the company is facing a distressed situation, description of the company's group and activity, the liquidation value (*valore di liquidazione*) of the company's assets in a judicial liquidation *scenario* that pursuant to the Decree 136/2024 includes (i) the value obtainable from the transfer of the business as a going concern during judicial liquidation, and (ii) the value achievable from claw-back and liability actions, net of expenses, content of the restructuring proposal to creditors and a report drafted by a third-party independent expert in possession of certain professional requirements certifying the truthfulness of the data on which the plan is grounded and its feasibility (*attestazione*), copy of the company's financial statements in relation to the past three financial years, as well as updated economic and financial accounts of the company, an exhaustive description of the company's assets and the list of the company's creditors, indicating their names, the amount of their claims and the ranking of such claims and, the setting of risk funds related to financing guaranteed by public support measures to cover the amount to be paid to public creditors if the guarantee is enforced (if necessary). Furthermore, pursuant to the Insolvency Code, the debtor shall file a report describing all acts and transactions exceeding the ordinary course of business carried out by the company over the preceding five years; a description of possible legal actions for damages as well as possible claw-back actions and legal actions potentially enforceable against the company and its corporate bodies in a judicial liquidation *scenario*; as well as in case the company belongs to a group, certain additional information about the group itself, as set in article 284 of the Insolvency Code.

According to articles 39 para. 3 and 44 of the Insolvency Code, the debtor may file a "preliminary and simplified petition" for admission to composition with creditors (so called "*concordato in bianco*" or "*concordato con riserva*"), meaning that the company might request to the courts the granting of a deadline – for a minimum of 30 days to a maximum of 60 days – within which the company shall then file the "full petition" including the plan and all other necessary documents. When filing a "simplified petition", the company must only attach to the relevant petition: (i) copy of the company's financial statements relating to its three last financial years; and (ii) a list of the company's creditors, indicating the name of the relevant creditor, the amount and ranking of its claim towards the company as well as its digital domicile (*domicilio digitale*). According to the Insolvency Code, within the aforementioned deadline the company is also entitled to file (instead of the full composition with creditors proposal) a petition for the homologation of debt-restructuring agreement under article 57 of the

Insolvency Code or for the homologation of a restructuring plan subject to homologation under article 64-*bis* of the Insolvency Code. As noted above, such deadline can be extended only once for additional maximum 60 days upon the company's request, provided that there are reasonable grounds (*giustificati motivi*) for such extension, supported by the preparation of a crisis and insolvency regulation plan. In case the debtor does not file the proposal, the plan, the expert report and the other documents within the established deadline, the court will not admit the debtor's to the composition with creditors proceeding and, if the *criteria* provided by the Insolvency Code are met, the court could open the judicial liquidation upon request from a creditor or the public prosecutor. Upon grating of the deadline by the courts and up until its expiry, the debtor shall comply with the monthly information undertakings set by the court itself, including, *inter alia*, information undertakings relating to the debtor's financial management and to the activities carried out in order to finalize the debtor's plan and proposal to creditors. Moreover, the debtor shall monthly file with the court an updated report about the company's financial situation, which is then published in the competent companies' register. Non-compliance with these requirements results the revocation of the order granting terms adopted under article 44, paragraph 1, letter a), of the Insolvency Code and, upon request of the creditors or the public prosecutor and provided that the relevant requirements are verified, in the adjudication of the distressed company into judicial liquidation. If the activities carried out by the debtor company appear to be clearly inappropriate to the preparation of the "full" application, the court may, *ex officio*, after hearing the debtor and – if appointed – the judicial commissioner, reduce the time for the filing of additional documents.

Pending the above-mentioned deadline, the debtor can carry out both activities of ordinary course of business and urgent activities of extraordinary management provided that, in the latter case, it has been duly and priorly authorized by the Court. Indeed, under the composition with creditors, there is no dispossession of the debtor who accordingly retains management powers under the supervision of a court-appointed official (*commissario giudiziale*), who is appointed by the Court after the company's filing of the preliminary and simplified petition. The judicial commissioner will supervise the proceeding and will have to review – *inter alia* and together with the Court - all the company's requests for authorization relating to the performance of activities of extraordinary management. While overviewing the company, the judicial commissioner, in the event that the debtor has carried out one of the activities under Article 106 of the Insolvency Code (e.g., concealment of part of assets, omission to report one or more claims, declaration of non-existent liabilities or commission of other fraudulent acts), will report it to the Court, which, upon further verification, may reject the petition at Court for a composition with creditors proceeding.

All the third-party claims which may arise from acts legally performed by the debtor after the filing will be deemed super-senior (*prededucibili*).

The petition is published by the debtor in the company's register by the registry of the court and communicated to the public prosecutor. According to article 46 of the Insolvency Code, from the date of such publication to the date on which the court homologates the composition with creditors, pre-existing creditors cannot obtain security interests (except in case this has been priorly authorized by the courts) and mortgages registered within the 90 days preceding the date on which the petition for the composition with creditors is published in the company's register are ineffective against such pre-existing creditors.

According to article 54, paragraph 2, of the Insolvency Code, provided that the petition for the admission to the composition with creditors proceedings includes the relevant request for protective measures (*misure protettive*), from the date of publication of the petition in the companies' registry, it is prohibited to commence or continue the enforcement and precautionary actions (or, in any event, to take any initiatives prohibited under the relevant requested measures).

Final decision on such request (which is provisionally effective starting from its publication in the companies' register) shall be taken by the competent court and the length of the stay of action period is for maximum four months (subject to extensions under certain circumstances, in any case not exceeding an overall period of twelve

months). During the stay of action period, *inter alia*, the judicial liquidation cannot be opened by the court. Protective measures might be revoked by the Court upon occurrence of certain circumstances, including – without limitation – upon discovery of fraudulent acts by the debtor**.** The debtor may request, after the filing of the proposal and all the relevant documentation, by a subsequent petition, to be granted by additional measures to prevent certain actions of one or more creditors from affecting, from the negotiation phase, the positive outcome of the initiatives taken for the regulation of the crisis or insolvency. The abovementioned measures can also be requested by the debtor pursuant to article 44 of the Insolvency Code, together with a "preliminary and simplified petition" for the access to one of the crisis and insolvency regulation tools provided for by the Insolvency Code.

In addition to all the above, upon filing of the composition with creditors petition (including filing of a simplified petition), *inter alia* (i) as a general rule, set out in article 154 of the Insolvency Code (applicable to the composition with creditors too, based on article 96 of the Insolvency Code), monetary obligations of the company are deemed as due on the date of the composition with creditors filing; (ii) according to article 155 of the Insolvency Code, set-off is allowed only if (a) all the claims/debts subject matter of the set-off arose prior to the filing date; or (b) all the claims/debts subject matter of the set-off arose after the filing date; (iii) accrual of interest on unsecured claims is suspended, as set out in article 154 of the Insolvency Code. Interests on secured claims will continue to accrue in accordance with specific rules set out under the Insolvency Code.

Any act, payment or security executed or created after the filing of the composition with creditors petition and in accordance with its rules and procedures is exempt from claw-back action. The debtor is also exempt from certain bankruptcy crimes provided under articles 322, third paragraph ("*preferential bankruptcy*"), and 323 ("*simple bankruptcy*") of the Insolvency Code, in relation to acts and payments made in execution of the composition with creditors and/or in relation to finance provided under article 99 of the Insolvency Code upon judicial authorization. Claims arising from acts lawfully carried out by the distressed company have super senior priority (*prededucibili*) in the event of a subsequent judicial liquidation.

The plan can be aimed either at:

(i) the continuation of the business by the company on a going concern basis (*concordato preventivo con continuità aziendale diretta*) or the transfer of the business to one or more third parties (*concordato preventivo con continuità aziendale indiretta*) as well as for a particular composition with creditors proceeding through which any assets that are no longer necessary to run the business of the company are liquidated (*concordato misto*). In these cases, the plan and the petition for the composition with creditors must fully describe the costs and revenue that are expected as a consequence of the continuation of the business as a going concern, as well as the financial resources and support which will be necessary. The report of the expert must also certify that the continuation of the business is conducive to the satisfaction of creditors' claims to a greater extent than if such proposal was not implemented; or

(ii) the liquidation of the company's assets (*concordato liquidatorio)* – in such event, the plan must necessarily provide for a cash injection, by a third-party, which can increase of at least 10% the available assets and ensure a minimum recovery of at least 20% for unsecured creditors.

The proposal filed in connection with the composition with creditors petition may provide for: (i) the restructuring and payment of debts and the satisfaction of creditors' claims (provided that, in any case, it will ensure payment of at least 20% of the unsecured receivables, except for the case of composition with creditors on a going concern basis (*concordato in continuità aziendale*)), including through extraordinary transactions, such as the granting to creditors and to their subsidiaries or affiliated companies of shares, bonds (including bonds convertible into shares), or other financial instruments and debt securities); (ii) the transfer to an third-party investor (*assuntore*) of the business of the debtor ; (iii) the division of creditors into classes (which is

mandatory in certain cases provided under the article 85 of the Insolvency Code), provided that each class is composed of creditors having homogeneous legal positions and economic interests; and (iv) different treatment of creditors belonging to different classes. The proposal may also contain a proposed tax settlement (*transazione fiscale*) for the partial or deferred payment of certain taxes.

Furthermore, certain specific rules apply only to composition with creditors proceedings on a going concern basis (*concordato preventivo in continuità aziendale*). In particular, *inter alia*:

(i) under article 84, para. 6 of the Insolvency Code (a) proceeds arising from the liquidation of company's assets shall be distributed to creditors in accordance with the so called "absolute priority rule", *i.e.*, in accordance with the creditors' ranking pursuant to Italian law and with article 84 para. 5 of the Insolvency Code; whilst (b) proceeds arising from the continuation of the business activity (thus, exceeding the liquidation value) can be distributed in accordance with the so called "relative priority rule", meaning that it is not mandatory to distribute them in accordance with creditors' ranking but it is sufficient to ensure that all classes of creditors sharing the same ranking are treated equally and in a way which is more favourable than that of the classes of creditors ranking junior to them and (c) external resources can be freely distributed among creditors (no application of the "absolute priority rule" nor of the "relative priority rule"), as provided by the Decree 136/2024. Without prejudice to the above, claims which are secured pursuant to article 2751-*bis* of the Italian Civil Code (i.e., salaries) must be satisfied in compliance with the "absolute priority rule";

(ii) the division into classes is mandatory. Classes must be created also in relation to secured creditors unless they are repaid in full by means of cash within 180 days (reduced to 30 days for employees) after the homologation without any waiver to their security interests;

(iii) save for the provisions provided for under article 109 of the Insolvency Code, under article 86 of the Insolvency Code the plan of a composition with creditors on a going concern basis, may provide for a standstill for the secured creditors, unless the liquidation of the relevant assets has been provided; such standstill may extend up to six months from the date of homologation of the composition with creditors proposal for the payment of secured creditors (*creditori privilegiati*) pursuant to article 2751-*bis*, n. 1 of the Italian Civil Code (i.e. employees);

(iv) the plan of a composition with creditors on a going concern basis must detail, *inter alia*, the financial impact of the plan and the time needed to achieve the rebalance of the company's financial situation. Moreover, in case the plan provides for the direct continuation of the business activity, the plan must include a detailed indication of the envisaged costs and revenues, financial needs and relevant cashflows, also considering those costs which are necessary to ensure compliance with applicable employment and environmental laws;

(v) the independent expert's report must certify that such plan is aimed at overcoming or preventing the company's insolvency and at ensuring the economic sustainability of the company. Moreover, the expert's report shall confirm that creditors' treatment (recovery) in the composition with creditors is not worse than creditors' treatment (recovery) in a judicial liquidation;

(vi) creditors cannot unilaterally refuse to fulfil their obligations under pending contracts, nor they can terminate them or anticipate relevant due dates/expiry dates or amend them in way which is detrimental for the debtor for the sole reason of the debtor's application for/access to composition with creditors on a going concern basis (or of the granting of protective measures). Any contrary provision is ineffective. Without prejudice to the above, according to article 94-*bis* of the Insolvency Code, creditors which are interested by protective measures cannot unilaterally refuse to fulfil their obligations under "essential pending contracts" (*contratti essenziali in corso di esecuzione*) nor they can terminate them or anticipate

relevant due dates/expiry dates or amend them in way which is detrimental for the debtor for the sole reason of non-payment, by the debtor, of claims arisen before filing of the application for to composition with creditors on a going concern basis (*in continuità aziendale*). According to the Insolvency Code, a contract is "essential" if it is necessary for the continuation of the ordinary business activity, including supply contracts the cessation of which could prevent the company to continue its business activity.

Under article 100 of the Insolvency Code, *inter alia*, a debtor who files for a composition with creditors on a going concern basis may request the court to authorize payment: (i) of debts arisen before the filing of the petition in relation to supply of goods or services which are essential for the company, provided that an independent expert certifies that they are essential for business continuity and to ensure the best satisfaction of creditors; and (ii) in accordance with the relevant contractual terms, of the instalments due under a loan agreement which is secured by a security interests over the assets used in the business, provided that (a) on the filing date, the debtor has fulfilled its obligations under the agreement, or the court authorises the payment of the debt for principal and interest due at that date; and (b) a third-party independent expert certifies that such payments are essential for the continuation of the business activity and functional to ensuring the best satisfaction of the creditors and that the secured claims can be fully satisfied with the proceeds of the liquidation of the asset, carried out at market value, and that the repayment of the instalments does not prejudice the rights of the other creditors.

As mentioned, according to article 84 of the Insolvency Code, in a composition with creditors proceeding on a liquidation basis (*concordato liquidatorio*), the proposal must provide for a contribution (cash injection) of resources by a third-party, which can increase of at least 10% the assets (*attivo*) available to creditors as of the filing date and ensure a minimum recovery of at least 20% for unsecured creditors (in order to strengthen the position of the such unsecured creditors). The abovementioned third-party resources can be distributed to creditors also irrespectively of their ranking, provided that the above-mentioned 20% minimum recovery is achieved. In this respect, it should be noted that resources contributed for the purpose of a composition with creditors proposal on a liquidation basis (*concordato liquidatorio*) may be distributed notwithstanding the provisions set forth under articles 2740 and 2741 of the Italian Civil Code provided that such distribution complies with the 20% requirement set forth above. According to the Insolvency Code, contributions made by the company's shareholders without any repayment-obligation by the company (as well as shareholders' contributions fully and expressly subordinated) qualify as "third-party contributions" for the purposes of article 84 of the Insolvency Code, if the plan provides for their direct application to the benefit of company's creditors. This provision does not apply to composition with creditors proposals based on the continuation of the going concern (*concordato con continuità aziendale*).

As a general rule, the division into classes of creditors is not mandatory for composition with creditors proceeding on a liquidation basis (*concordato liquidatorio*). However, pursuant to article 85 para. 2 of the Insolvency Code, classes must be created in relation to the following creditors: (i) creditors for tax claims and/or social contributions claims which will not be repaid in full; (ii) creditors benefitting of security interests/guarantees issued by third parties; (iii) creditors which will be satisfied not by means of cash (also in case satisfaction is made partly in cash and partly by way of other means); (iv) creditors who filed a "competing composition with creditors proposal" and their related parties.

Upon the filing, the Courts, *inter alia*, determines whether the proposal for the composition is admissible assessing: (i) in case of a composition with creditors proceeding on a liquidation basis (*concordato liquidatorio*), the admissibility of the proposal and the feasibility of the plan (meaning that the plan shall not be manifestly unfit to achieve the envisaged goals); and (ii) in case of a composition with creditors on a going concern basis (*concordato in continuità aziendale*), compliance of the proposal with applicable provisions of law (*ritualità*). The proposal for a composition with creditors on a going concern basis is, in any case, not

admissible if the plan is manifestly unfit to satisfy the creditors as proposed by the debtor and to preserve the company's going concern value (*valori aziendali*).

If the court determines that the composition with creditors proposal is admissible, *inter alia*, it appoints a delegated judge (*giudice delegato*) to supervise the procedure, appoints (or confirms, as the case may be) one or more judicial commissioners (*commissari giudiziali*) and schedules a specific period of time during which creditors can express their vote.

During the implementation of the proposal, the company generally continues to be managed by its corporate bodies (usually its board of directors), but is supervised by the appointed judicial commissioners and judge (who will authorize all transactions that exceed the ordinary course of business). Furthermore, up until the homologation of the proceeding, the debtor cannot make any payments of debts arisen before the opening of the proceeding itself, unless they have been specifically approved by the delegated judge.

Pursuant to article 90 of the Insolvency Code, one or more creditors (except for individuals or entities controlled, controlling or under common control of the debtor), representing at least 5% (as recently amended by the Decree 136/2024) of the aggregate claims resulting from the updated financial statement filed by the debtor, may submit a competing proposal for a composition with creditors (*proposta concorrente*), with the related plan – within 30 days before the starting of the voting process – subject to certain conditions being met, including, in particular, that the proposal of the debtor does not envisages the payment of at least 30% of the unsecured claims (such threshold is reduced to 20% in case the debtor had priorly and successfully started a negotiated crisis settlement proceeding (*composizione negoziata*)).

Furthermore, pursuant to article 91 of the Insolvency Code, if the composition with creditors plan, includes a binding offer for the sale of the debtor's assets or the sale of a going concern of the debtor to an identified third party, the court or the delegated judge shall order that for appropriate publicity to be given to the offer itself in order to acquire competing offers (*offerte concorrenti*). If expressions of interest are received, the court or the delegated judge, by decree, shall order the opening of the competitive proceeding. Furthermore, the abovementioned decree establishes the procedures for the submission of irrevocable offers, providing that in all cases, among others, the following is ensured: (i) their comparability; (ii) the requirements for the participation of the bidders; (c) the forms and timing of access to relevant information; (iii) any limits on their use; (iv) the modalities according to which the judicial commissioner must provide them to those who request them; (v) the modalities according to which the competitive procedure is to be conducted, (vi) the minimum increase in the consideration to be provided by the subsequent offers; (vii) the guarantees to be given by the bidders; (viii) the forms of publicity, and (ix) the date of the hearing for the evaluation of the bids, if the sale takes place before the judge. With the sale or with the assignment, if earlier, to a person other than the original bidder identified in the plan, the latter and the debtor are released from their obligations towards each other and accordingly the debtor shall amend the proposal and plan in accordance with the outcome of the competitive proceeding.

As a general rule, the composition with creditors proposal is voted on within the period of time scheduled by the court and must be approved with the favourable vote of (i) the creditors representing the majority of the receivables admitted to vote and, also in the event that the plan provides for more classes of creditors, of (ii) the majority of the receivables admitted to vote is reached in the majority of the classes. Pursuant to article 109, paragraph 1, of the Insolvency Code, in case one creditor holds more than the majority of receivables admitted to voting, it is also necessary to reach majority by headcount (*maggioranza per teste*). The composition with creditors is approved only if the required majorities of creditors expressly voted in favour of the proposal. Creditors who did not exercise their voting right will be deemed not to approve the proposal.

Secured creditors are not entitled to vote on the composition with creditors proposal unless and to the extent they waive their security, or the composition with creditors provides that they will not receive full satisfaction of the fair market value of their secured assets (such value being assessed by an independent expert), in which

case they can vote only in respect of the part of their debt affected by the proposal. Among others, (i) the companies controlling the debtor, controlled by the debtor and those under the control of the entity controlling the debtor, (ii) the assignees of the claims of the entities under point (i), if the assignment has been perfected during the year preceding the composition with creditors and (iii) creditors in conflict of interest are excluded from voting.

Pursuant to Article 112, paragraph 5 of the Insolvency Code, within the composition with creditors on a liquidation basis, if 20% of the creditors or, in case there are different classes of creditors, a non-adhering creditor belonging to a non-adhering class, contest the economic convenience of the plan, the court may nevertheless homologate the composition with creditors if it deems that the proposed treatment of their claims is at least equivalent to what they would recover in a judicial liquidation scenario.

Differently from the general rules set out above, a composition with creditors on a going concern basis (*in continuità aziendale*) is approved with the positive vote of all the creditors' classes. In each class, the composition with creditors is approved with the positive vote of creditors representing the majority of claims admitted voting or, if such threshold is not met, with the positive vote of creditors representing two-thirds of the claims of voting creditors, provided that creditors holding at least half of the total claims of the same class have voted. Secured creditors are not admitted voting if they are repaid in full (and in cash) within 180 days (reduced to 30 days for employees) after the homologation without any waiver to their security interests. If such requirements are not met, then secured creditors are entitled to vote (for the unsecured part of the claim). Without prejudice to the above, the Insolvency Code provides that composition with creditors on a going concern basis (*in continuità aziendale*) can be homologated by the Courts also in case it is not approved by all the classes upon certain specific conditions provided for article 112, para 2 of the Insolvency Code, as recently amended by the Decree 136/2024. In particular, if one or more classes are dissenting, the court, upon request of the debtor (or, in case of a competing proposal, with the consent of the debtor) may homologate the composition with creditors anyway, if the following conditions are jointly met:

(i) the liquidation value is distributed in accordance with the statutory priority rules;
(ii) the value remaining after the liquidation of the company is distributed in such a way that the dissenting classes creditors receive an overall treatment at least equal to those of the adhering classes creditors having the same rank, and a more favourable in respect to the treatment of those classes having a lower rank;
(iii) no creditor receives more than the amount of their claim; and
(iv) the proposal is approved by the majority of the classes, provided that at least one of them consists of secured creditors or, in case the proposal is not approved by the majority of the classes, the latter is approved by at least one class of creditors (a) to whom an amount less than the full claim is offered; (b) who would be satisfied in full or in part if the absolute priority rules would be applied even on the value exceeding the liquidation value.

In addition to the above, according to article 120-*ter* of the Insolvency Code, subject to certain conditions, the composition with creditors plan may provide for the creation of one or more classes of shareholders (it is possible to create more than one class of shareholders if the company's By-Laws – also, where the case may be, as modified in the frame of the composition with creditors proceeding – provide for different rights of the shareholders). The creation of classes of shareholders is required by law (i) if the composition with creditors plan provides for amendments which affect directly the shareholders' rights; and/or (ii) in case of listed/public companies (*società che fanno ricorso al mercato del capitale di rischio*). If one or more classes of shareholders have been provided, shareholders are entitled to vote in the form and within the time limits provided for the vote by creditors. Within their respective class, the relevant shareholder is entitled to vote proportionally to the portion of equity held before the composition with creditors filing. If a shareholder does not vote within the relevant deadline, it is deemed as having voted in favour.

If composition with creditors competing proposal (*proposte concorrenti*) have been filed by one or more creditors, they will be subject to the vote by creditors as well. According to article 109, paragraph 2 of the Insolvency Code, the winning proposal is that which results in the highest majority of positive votes and, in the event of a tie, the debtor's proposal prevails against a creditor's, while a creditor's proposal will prevail over the one of another creditor if it has been filed before. In the event that none of the proposals achieves the required number of votes as described above, the judge shall re-submit to vote the proposal which obtained the highest majority. Pursuant to Decree 136/2024, the current article 109, paragraph 5 *bis* of the Insolvency Code states that when more than one proposal based on different plans is approved, the proposal that provides for business continuity is subject to homologation. If more than one proposal based on business continuity is approved, the one that obtained the highest majority of unsecured creditors eligible to vote is subject to homologation.

Please note that, as set out in article 108 of the Insolvency Code, the delegated judge may provisionally admit (in whole or in part) to the voting session creditors of disputed claims for the sole purpose of the vote on the composition with creditors proposal and of the calculation of the relevant majorities. Excluded creditors shall have the right to oppose such decision by submission of a specific filing in the context of the homologation by the court, in any case, only if their participation in the voting session may have affected the calculation of the relevant majorities.

According to article 48 of the Insolvency Code, once the composition with creditors has been approved by creditors, the Court sets the date for the hearing aimed at the Court's formal homologation (*omologazione*) of the composition with creditors and then the debtor notifies the relevant parties. At least 10 (ten) days before the date of the homologation hearing, any dissenting creditor and/or any third-party interested in doing so can file a challenge/appeal (*opposizione*) against the proposed homologation of the composition with creditors proceeding. In case no challenges (*opposizioni*) are filed, the court shall homologate the composition with creditors after verifying – as set out in article 112, paragraph 1 of the Insolvency Code – *(i)* the regularity of the composition with creditors proceeding; *(ii)* the outcome of the creditors' vote; *(iii)* the admissibility of the proposal; *(iv)* the proper creation of the classes of creditors; and *(v)* the equal treatment of creditors within each class. In addition, in case of a composition with creditors on a going concern basis, the court shall verify that (*vi*) all classes have voted in favour of the proposal, the plan has reasonable perspectives of preventing or overcoming insolvency, and that any new financing is necessary to implement the plan and does not unfairly prejudice the interests of creditors. In any other case, the court shall verify (*vii*) the feasibility of the plan (*i.e.* the plan not being manifestly unfit to achieve the stated purposes).

Moreover, pursuant to article 88 of the Insolvency Code, if the debtor made a proposal for "*transazione fiscale*" to Tax Authorities/Social Security Authorities under the Insolvency Code, the courts can homologate the composition with creditors also without the consent of such creditors when their consent is required for achieving the applicable majorities and:

(i) in case of liquidation plan, the proposal made by the debtor to such creditor is more convenient compared to the liquidation *scenario* (as certified by an independent expert);

(ii) in case of a plan with going concern, the proposal is not worse than the alternative of judicial liquidation, notwithstanding the conditions provided for in article 112, paragraph 2 of the Insolvency Code.

In case of challenges against the homologation, the Court shall decide and rule upon each of the challenges. In case the Court rejects all challenges and has no additional remarks, then it will issue the homologation decree.

Paragraphs 3 and 5 of article 112 of the Insolvency Code provides for a "cram-down" mechanism whereby:

(i) in case of a composition with creditors on a going concern basis (*in continuità aziendale*), if a creditor challenges the "convenience" of the proposal, the court can homologate the composition with creditors

only if it deems that the relevant claim will be satisfied for an amount not lower than liquidation value as defined in article 87, para. 1, lett c) of the Insolvency Code.

(ii) in all other cases, the court can homologate a composition with creditor proceeding challenged by (i) a creditor which is a member of a "dissenting class" of creditors; or (ii) in case there are no classes of creditors, by creditors representing 20% of the claims admitted to vote, to the extent that (a) such challenge(s) are about the "convenience" of the proposal; and (b) the court deems that the relevant claim will be satisfied for an amount not lower than the amount that would be paid in the frame of a judicial liquidation on the date of the filing of the composition with creditors petition.

In addition, article 120-*quarter* of the Insolvency Code states that if the plan provides that pre-existing shareholders would benefit from the so-called "restructuring value", then composition with creditors can be homologated if one or more classes of creditors are dissenting, to the extent that the recovery of each dissenting class is at least equal to the recovery of other classes having the same ranking and more favourable than the recovery proposed to classes ranking junior, even if the restructuring value reserved to the shareholders were to be applied to such classes. According to the Insolvency Code, the "restructuring value reserved to shareholders" means the effective value of the shareholders' stakes into the company following the homologation of the proposal, net of any contributions/injections made by the shareholders for the purposes of the restructuring. Pursuant to Decree 136/2024, such value shall be determined in accordance with the applicable accounting principles for determining the value in use, based on the present value of future cash flows using the data resulting from the underlying pan and applying the projections for subsequent years. Shareholders can challenge the homologation if the latter is prejudicial to them compared to a liquidation scenario.

If the composition with creditors provides for the liquidation of the debtor's assets, the court, if homologates the composition with creditors, appoints one or more liquidators in order to execute the approved plan if it has to be realized by way of a transfer of assets. The court may grant special powers to the commissioner to implement the plan if the debtor does not cooperate, including by taking all corporate actions required.

If the court does not homologate the composition with creditors proceeding, it might open judicial liquidation of the company only if there are pending petitions in such respect.

The terms and the performance of the outstanding contracts which have been entered into, from time to time, by the debtor are not automatically affected by the composition with creditors proceeding and normally continue pending the procedure, any agreement to the contrary being ineffective. However, pursuant to article 97 of the Insolvency Code, the debtor may request the Courts to either terminate or suspend the effectiveness of such pending agreements in case the continuation of the agreement is not in line with the plan nor functional to its implementation, except for certain agreements which are excluded from the scope of the above provision: e.g., employment agreements (*rapporti di lavoro subordinato*), residential real estate preliminary sale agreements (*contratti preliminari di vendita aventi ad oggetto immobili ad uso abitativo*), real estate lease agreements (*contratti di locazione di immobili*) and financing contract intended for a single business (*contratto di finanziamento destinato ad un unico affare*). Please note that termination can be requested only if the composition with creditors plan and proposal have already been filed before the Courts. In such circumstances, the counterparty shall be entitled to an indemnity equal to the damages suffered because of the termination or suspension of the contract. Such indemnity shall be considered as an unsecured claim arisen before the composition with creditors proceeding, without prejudice, however, to the super-senior ranking of those claims arisen (from the performance of such agreement) because of transactions legally carried out after the publication of the petition in the Companies' Register (and before the notification of the suspension/termination petition).

Specific rules are provided in relation to the termination of financial lease agreements and pending facilities agreements. In such latter respect, para. 14 of article 97 of the Insolvency Code states that, upon termination of a facility agreement, the lender is entitled to cash-in and retain the amounts paid by company's debtors up until

repayment in full of the advances disbursed by the lender to the company in the period between (i) the date falling 120 days before the filing of the petition; and (ii) the date on which the petition for termination of the agreement has been notified to the lender.

In addition to all the above, article 95 of the Insolvency Code clarifies that pending contracts with Italian Public Authorities are not terminated as a result of filing and any contrary provisions are ineffective; such contracts continue to be effective if the third-party independent expert certifies that such contracts are consistent with the plan (if already drafted) and that the company is reasonably able to fulfil them. If the composition with creditors on a going concern basis (*in continuità aziendale*), the expert shall also attest that the continuation of such contracts is necessary to achieve the best liquidation of the company's business unit (*migliore liquidazione dell'azienda in esercizio*). After the filing, the company can participate in public tender processes with the prior authorization of the Court and upon meeting certain requirements set out under the Insolvency Code (including filing of a third-party expert report in such respect).

Pursuant to article 89 of the Insolvency Code, the rules governing the loss and reduction of the share capital set forth in the Italian Civil Code do not apply to Italian companies during the period from the date of filing of composition with creditors petition until the date of its homologation. During such period, moreover, the rule according to which a company shall be wound up in case of reduction or loss of the share capital, does not apply. Nevertheless, during the period preceding the filing of the composition with creditors petition , article 2486 of the Italian Civil Code – providing for the powers and duties of the directors after the occurrence of an event of dissolution of the company – will be applicable.

For the analysis of the rules regulating the new financial resources please see the specific section under paragraph "Super-senior financing under the Insolvency Code" below.

After the approval of the composition with creditors, the plan may require certain material amendments for its execution: an independent expert shall certify the amended plan, then the plan and the expert's certification shall be submitted to the judicial commissioner, who shall report to the Court pursuant to article 118, paragraph 1 of the Insolvency Code. Verified those material amendments the Court orders its publication in the company's register and the communication to each creditor by the judicial commissioner; within 30 days from the notification each creditor may oppose to the amended plan. The Court resolves the creditors' oppositions (if any) and approves the amended plan.

Pursuant to articles 119 and 120 of the Insolvency Code, in the event of a breach of the composition with creditors plan or fraud, provided that the relevant requirements are met, the composition with creditors can be terminated or annulled, as the case may be, upon petition of one or more of the creditors; the judicial liquidation may follow. The composition with creditors is mandatory for all creditors prior to the publication of the petition in the companies' register. However, creditors retain without prejudice their rights against co-debtors and guarantors of the debtor.

In case of non-minor breaches, the composition with creditors may be terminated by each of the creditors or the judicial commissioner (in case of petition by one or more of the creditors). The relevant lawsuit must be brought within one year from the deadline originally scheduled for the last activity to be carried out under the composition with creditors itself. The composition with creditors may also be annulled upon request of the judicial commissioner or of one or more creditors in case a portion of the assets of the debtor has been concealed or the liabilities have been wilfully exaggerated. The relevant lawsuit must be brought within six months from the discovery of the concealment/exaggeration and, in any event, within two years from the deadline originally scheduled for the last activity to be carried out under the composition with creditors petition itself.

Finally, please note that articles 284 and followings of the Insolvency Code provide for composition with creditors group-proceedings. More precisely, if more companies (having their centre of main interests in Italy) belonging to the same group are facing a situation of crisis or insolvency they can make a single application for

composition with creditors proceeding, including a single plan or multiple connected plans in the context of the composition with creditors proceeding. Assets and liabilities of each group company shall be assessed on a single-entity basis. In such case, the legal framework of composition with creditors group-proceedings is the same applicable to the ordinary type, save for certain specific rules/exceptions, among which, *inter alia*: (i) the petition shall specify the reasons why a group proceeding is more convenient for creditors than single and separate proceedings; (ii) the petition and the plan/plans must include certain additional information, mainly relating to group structure, intercompany relationships, etc.; (iii) the plan(s) must ensure the restructuring of each group company and must be certified by the third-party expert. Pursuant to the Decree 136/2024, the companies within the same group can also jointly submit a unique proposal for the settlement of taxes and social security debts in the context of the composition with creditors proceeding according to the terms and conditions provided for article 88 of the Insolvency Code. The expert's report shall also confirm that the group-proceeding is more convenient for creditors than separate proceedings; (iv) the plan(s) might provide both for the continuation of certain business activities and the liquidation of others. The proceeding qualifies as composition with creditors on a going concern basis (*in continuità aziendale*) whenever the proceeds arising from the continuation of business exceed the proceeds arising from the liquidation of assets; and (v) certain specific rules in relation to the voting phase and homologation phase of the proceeding apply.

Negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) under the Insolvency Code

The negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) was originally introduced in the Italian legal framework by Decree 118/2021 (i.e. before the entering into force of the Italian Insolvency Code) and has been subsequently incorporated into the Insolvency Code. It consists of a negotiated and out-of-court tool applicable to both commercial enterprises (*imprenditori commerciali*) and agricultural enterprises (*imprenditori agricoli*), which are undergoing a distressed situation with reference to their assets, their business and/or their financial situation, such that it is likely that a distress/crisis or insolvency will follow or are facing a crisis or are insolvent pursuant to article 2, para 1, lett. (a) and (b) of the Insolvency Code.

The negotiated crisis settlement procedure (*composizione negoziata per la soluzione della crisi d'impresa*) is a proceeding aimed at facilitating the recovery of debtors which despite of their conditions of asset or economic and financial imbalance, crisis or insolvency, have the potential to remain in the market, including through the sale of the business or a branch of it (mainly in the interest of workers). It is, therefore, a tool aiming at anticipating further deterioration of the debtor's situation.

Without prejudice to the above, the court can be involved in the two following circumstances: (i) pursuant to article 19 of the Insolvency Code, when the debtor, by the day following the publication of the relevant request and of the acceptance of the expert in the relevant companies' register, files a petition requesting the competent court to confirm or modify the protective measures provided for pursuant to article 18 of the Insolvency Code (i.e. the interested creditors being barred from obtaining preemption rights (*diritti di prelazione*) unless agreed upon by the debtor and a stay on all individual enforcement and interim actions) and, if necessary, to enact the interim measures necessary to complete the negotiations, and (ii) when the entrepreneur files a petition asking the court to authorize certain acts in line with the provisions set forth under article 22 of the Insolvency Code.

Pursuant to article 17 of the Insolvency Code, the entrepreneur or the enterprise filing for a negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*), *inter alia*, shall certify whether a judicial liquidation proceedings is pending and that no petition for the access to any crisis and insolvency regulation tools, including pursuant to articles 44, para. 1, letter (a), 74 and 54, para. 3 of the Insolvency Code, have been previously filed. In the event that the petition for a negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) is dismissed (*archiviata*) shall not submit a new request before one year has elapsed after dismissal (the term is reduced, for one time only, to four months if such dismissal is requested by the entrepreneur within two months starting from the acceptance of the expert).

The negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) is commenced on a voluntary basis only, filing of a petition for the appointment of a third party and independent expert to the Secretary General of the relevant Chamber of Commerce by way of a dedicated electronic platform and the expert is appointed within five days upon the filing of the request. Pursuant to the Insolvency Code, the person to be appointed as expert shall not have or maintain professional relations with the entrepreneur during the two years following the termination of the negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*). The expert is responsible for facilitating and managing the negotiations between the company, its creditors and any other interested parties, in order to identify a solution to overcome the crisis or the insolvency, including through the transfer of the business or a branch thereof.

The expert assesses his/her own independence, the adequacy of his/her own professional expertise and his/ her own time availability with respect to the prospected assignment, and, if the outcome of the assessment is positive, notifies his/her acceptance to the entrepreneur and uploads it on the dedicated electronic platform. In case of negative outcome, the expert confidentially notifies it to the commission, which appoints a new expert. If the expert accepts the appointment, he/she meets with the entrepreneur in order to assess whether there are concrete and real chances of recovery. The entrepreneur attends the meeting personally and can be assisted by its advisors.

If the expert finds that there are concrete and real chances of recovery, he/she meets with the parties involved in the entrepreneur's recovery process and presents the possible strategies, scheduling periodic meetings close in time, one to another.

During the negotiations, all the parties involved must act in good faith and with fairness, must cooperate and are bound by confidentiality on the entrepreneur's situation, on the actions carried out or planned by the entrepreneur and on the information received in the course of the negotiations. The entrepreneur must provide a complete and clear representation of his/her situation and manage his/her assets without causing unfair prejudice to the creditors. Banks and financial intermediaries, their agents, and, in case of credit assignment and/or transfer, their assignees or transferees, must take part in the negotiations actively and in an informed manner. The access to negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) does not, by itself, constitute ground for suspension or withdrawal of facilities made available to the company – which may, however, occur if required under the prudential supervision regulation (*disciplina di vigilanza prudenziale*) or for a different credit rating –. During the negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) the credit rating shall be determined taking into consideration either the prudential supervision regulation and the content of the recovery/restructuring plan. The continuation of the financing relations is not in itself cause for liability of the bank and the financial intermediary.

Specific provisions apply to negotiations involving employment contracts.

If the expert finds that there are no real chances of recovery, after the meeting with the entrepreneur or thereafter, he/she has to promptly notify the entrepreneur and the Secretary General of the Chamber of Commerce, which provides for the dismissal of the entrepreneur's petition within the next five working days. The negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) shall not exceed 180 days, subject to a possible extension of additional 180 days upon certain requirements. More specifically, the expert's appointment is considered terminated if, after 180 days from its appointment, the parties have not agreed on a solution (that can also be proposed by the expert) for overcoming the entrepreneur's distressed situation. However, the expert's appointment can continue up to further 180 days if (i) all the parties involved in the negotiations require so and the expert agrees, or (ii) the prosecution of the appointment is required by the fact that the entrepreneur has filed a petition to the court pursuant to article 19 and/or article 22 of the Insolvency Code, or (iii) protective and precautionary measures are pending or it is necessary to implement the authorization granted by the court.

At the end of his/her appointment the expert issues a final report, to be uploaded it on the platform, and notifies it to the entrepreneur and to the Court that has granted the protective measures and interim measures (if any) which declares the termination of their related effects.

Pursuant to article 18 of the Insolvency Code, together with the petition for appointment of the expert, or with a subsequent petition, the entrepreneur can request the application of protective measures, which may also be limited, upon entrepreneur request, to certain creditors' claims or to a specific category of creditors. If the protective measures are granted, from the date of publication of the relevant petition, pre-existing creditors cannot obtain pre-emption rights (*diritti di prelazione*) unless agreed upon by the entrepreneur and all enforcement and precautionary actions against its assets and the goods and rights used for conducting its business are stayed. However, please note that, differently from what it is provided under the Insolvency Code for the composition with creditors proceeding (*concordato preventivo*), payment of pre-existing creditors is not forbidden. The protective measures do not apply to employees' claims.

Starting from the date of publication of the petition requesting the application of the protective measures until the date of conclusion of the negotiations or dismissal of the petition for the negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*), the judgement of opening the judicial liquidation (*sentenza di apertura della liquidazione giudiziale*) or the declaration of the insolvency of the entrepreneur cannot be declared insolvent by the court, provided that the court revokes the protective measures. From the same date, prescriptions remain suspended, and forfeitures do not occur.

The creditors whose rights are affected by the protective measures cannot unilaterally refuse to perform their obligations under the contracts in place with the entrepreneur, nor terminate such contracts, nor anticipate their expiration date, nor amend them with detrimental consequences for the entrepreneur, solely on the ground of the missed payment of claims arisen prior to the publication of the petition requesting the application of the protective measures. However, the creditors may suspend the fulfilment of the pending contracts from the publication of the petition requesting protective measures to the obtainment of such protective measures.

If the entrepreneur applies for the protective measures (which, as said, are effective immediately, upon publication of the relevant request in the companies' register), it shall – within the next day following the aforementioned publication – file a confirmation request to the competent court, in order to allow a judge to check the requested measures and to confirm them or, if necessary, to modify them. In the absence of this request, the protective measures will become ineffective.

The duration of the protective measures and, if necessary, the interim measures, is established by an order of the Court in a range between 30 and 120 days, and, upon request of the parties and after obtaining the opinion of the expert, can be extended for the time required to positively finalize the negotiations up to a maximum of 240 days, given that the judge may discretionary order the revocation of such protective measures or shorten their duration.

Pending the negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*), there is no dispossession: the entrepreneur remains able to continue the ordinary and extraordinary management of the company, subject to certain conditions. More precisely, pursuant to article 21 of the Insolvency Code, pending the negotiations, the entrepreneur may carry out acts pertaining to ordinary activity and, upon written notice to the expert, carry out acts pertaining to extraordinary activity or make payments non-consistent with the negotiations nor with the perspectives of recovery, in such a way as to avoid prejudicing the economic and financial sustainability of the business. Furthermore acts, payments, and guarantees/security interests carried out by the entrepreneur after the appointment of the expert under the negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) are not subject to claw-back action under article 166, para. 2 of the Insolvency Code, if they are consistent with the status of the negotiations and the recovery perspectives of the company. If during the course of the negotiations, it appears that the entrepreneur is insolvent but there

are real prospects of recovery, the entrepreneur shall manage the enterprise in the best interests of the creditors, subject to his liabilities. If the expert believes that a certain act causes prejudice to the creditors, to the negotiations or to the perspectives of recovery, he/she reports it in writing to the entrepreneur and to the enterprise's control body. If, notwithstanding the expert's report, the entrepreneur carries out the relevant act, the entrepreneur gives immediate notice to the expert, who may file his/her dissent for the registration with the companies' register. At the request of the entrepreneur, one or more creditors or the expert, the court that has granted the protective measures and/or interim measures may, at any time, revoke such measures or reduce their duration when they do not meet the aim of ensuring the positive outcome of the negotiations or they appear disproportionate in relation to the prejudice caused to the creditors pursuant to article 19, paragraph 6 of the Insolvency Code. If the protective measures are revoked, the rule relating to the prohibition of the obtainment of pre-emption rights by pre-existing creditors ceases to be effective for the date on which the protective measure has been revoked.

As noted above, pursuant to article 22 of the Insolvency Code, upon the entrepreneur's request and to the extent that this is consistent with the continuation of the business as a going concern and with the maximization of the creditors' recovery, the court may authorize: (i) the entrepreneur or one or more companies belonging to the same group to incur new super-senior indebtedness (*prededuzione)*, taking out loans in any form, including requesting the issuance of guarantees, or authorize the agreement with the bank and financial intermediary to reactivate suspended credit facilities ; (ii) the entrepreneur to incur new super-senior indebtedness (*prededucibile*) by virtue of shareholders' financing; and (iii) the entrepreneur to transfer its business, or certain business branches, without the effects provided under article 2560, para. 2, of the Italian Civil Code, without prejudice to article 2112 of the Civil Code, identifying the appropriate measures to protect all the interests involved, taking also into account the requests of the parties concerned. The Court shall also verify the compliance with the competitiveness principle (*principio di competitività*) in the selection of the purchaser. The implementation of the authorization granted by the Court may be implemented before or after the closing of the negotiated crisis settlement procedure, if provided for by the Court itself or if indicated in the expert's final report. The super-seniority (*prededuzione*) shall operate, regardless of the outcome of the negotiated settlement, within the context of the enforcement actions or any crisis and insolvency regulation tool.

Pursuant to article 23 of the Insolvency Code, if a suitable solution to overcome the entrepreneur's difficulties has been found, the negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) can terminate by means of:

(i) the execution of an agreement between the entrepreneur and one or more creditors or one or more interested parties, which constitutes cause for application of the reward measures provided under article 25-*bis*, para. 1 of the Insolvency Code if, according to the expert's final report, such agreement ensures the continuation of the business as a going concern for at least 2 years;

(ii) the execution of a standstill agreement (*convenzione di moratoria*) pursuant to article 62 of the Insolvency Code;

(iii) the execution of an agreement signed by the entrepreneur, by the adhering creditors and by the other interested parties in the restructuring transaction who have adhered to it and by the expert, with the effects provided under articles 166, paragraph 3, lett. (d) and 324 of the Insolvency Code. With such agreement the expert acknowledges that the reorganization plan (*piano di risanamento*) seems to be consistent with the composition of the insolvency and crisis of the entrepreneur.

Without prejudice of the above, the entrepreneur may, alternatively:

(i) draft a certified restructuring plan (*piano attestato di risanamento*) pursuant to article 56 of the Insolvency Code;

(ii) file a petition requesting the homologation of a debt restructuring agreement with creditors (*accordo di ristrutturazione dei debiti*) pursuant to articles 57, 60 and 61 of the Insolvency Code. The percentage referred to under article 61, para. 2, letter (c) of the Insolvency Code is reduced to 60% if the achievement of the agreement results from the final report of the expert or if the homologation petition is filed within 60 days after the notice pursuant to article 17, para 8 of the Insolvency Code;

(iii) file a petition for the simplified composition with creditors proceeding for the liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*) (please see the paragraph "*Simplified composition with creditors proceeding for the liquidation of assets (concordato semplificato per la liquidazione del patrimonio) under the Insolvency Code*" below);

(iv) access to one of the proceedings/tools provided under the Insolvency Code or in the Decree 270 or in the Decree 347.

Pursuant to the article 23, par. 2-*bis* of the Insolvency Code – as modified by the Decree136/2024 –, the debtor is now allowed to propose settlement agreement with the Italian tax authorities (*transazione fiscale*) for partial or deferred payments of debts provided that (i) the taxes are not EU own resources, (ii) an independent professional certifies that the proposal is more convenient compared to the judicial liquidation scenario, and (iii) a statutory auditor certifies the accuracy and completeness of the company's financial data. The agreement must be filed with the Court and the execution is subject to judicial approval.

Furthermore, pursuant to article 24 of the Insolvency Code:

(i) the acts authorized by the court pursuant to article 22 of the Insolvency Code shall maintain their effects in the event of the subsequent occurrence of an homologated debt-restructuring agreement (*accordo di ristrutturazione dei debiti omlogato*), an homologated composition with creditors proceeding (*concordato preventivo omologato*), an homologated restructuring plan pursuant to article 64-*bis* of Insolvency Code (*piano di ristrutturazione omologato*), the opening of the judicial liquidation (*liquidazione giudiziale*), the compulsory administrative liquidation (*liquidazione coatta amministrativa*), the extraordinary administration (*amministrazione straordinaria*) or the simplified composition with creditors proceeding for the liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*);

(ii) the transactions, the payments and the granting of security interests carried out by the entrepreneur after the acceptance by the expert of his/her appointment, are exempted from claw-back actions pursuant to article 166, para. 2, of the Insolvency Code, if they are consistent with the development and the status of the negotiations and with the perspectives of recovery in place at the time the transaction/payments/granting of security interest was made; and

(iii) the extraordinary transactions and payment made after the acceptance by the expert of his/her appointment are in any case subject to claw-back actions pursuant to article 165 and article 166 of the Insolvency Code if the expert has registered his/her dissent in the companies' register pursuant to article 21, para. 4 of the Insolvency Code or if the competent court has denied its authorization pursuant to article 22 of the Insolvency Code; and

(iv) in addition, payment and transactions carried out after the acceptance by the expert of his/her accepted its appointment, which the expert assesses to be consistent with the development of the negotiations and with the perspectives of recovery of the enterprise – provided that the registrations required by Article 21, paragraph 4, have not been made –, or which have been authorized by the court pursuant to article 22 of the Insolvency Code, benefit of exemptions from the potential application of certain criminal sanctions (*i.e.* article 322, paragraph 3 and article 323 of the Italian Insolvency Code).

Pursuant to article 25 of the Insolvency Code, the negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*) may also apply to group of companies, which may commence one proceeding all together. At the end of the negotiations, the companies belonging to the same group may either entering into one of the agreements provided under in article 23, para. 1 of the Insolvency Code as a group, or access to one of the tools provided under article 23 of the Insolvency Code, both separately or as a whole group.

Simplified composition with creditors proceeding for the liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*) under the Insolvency Code

Simplified composition with creditors proceeding for liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*) is a particular type of composition with creditors proceeding (*concordato preventivo*) available only for those companies which (i) had first made access to negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*); and (ii) as certified by the expert under the negotiated crisis settlement procedure (*composizione negoziata per la crisi di impresa*), notwithstanding the negotiations in good faith with creditors could not achieve a positive outcome.

Simplified composition with creditors proceeding for liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*) – which has merely liquidation purposes – has originally been introduced in the Italian legal framework by Decree 118/2021 and has been subsequently incorporated into the Insolvency Code, at article 25-*sexies* of the Insolvency Code.

If, in its final report, the expert states that the negotiations have been conducted according to fairness and in good faith, and that the options provided under article 23, para. 1 and 2, letter (b) of the Insolvency Code are not feasible, within 60 days following the notification of the final report the entrepreneur may file, with the competent court of the place where the company has its centre of main interests, a petition for admission to the simplified composition with creditors proceeding for liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*), a proposal providing for the liquidation of the assets together with the liquidation plan and the documents provided under article 39 of the Insolvency Code. The proposal may provide for the division of the creditors into different classes.

The petition for the simplified composition with creditors proceeding for liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*) is communicated to the public prosecutor and published with the companies' register within the day following the date of the filing with the court. From the date of such publication, the effects provided under articles 6, 46, 94 and 96 of the Insolvency Code apply.

As an alternative to the above, within the same term the debtor may file a petition pursuant to Articles 40 or 44 of the Italian Insolvency Code in order to accede to an insolvency proceeding or a recovery proceeding.

Upon the filing of the application, the court (i) appoints a judicial assistant (*ausiliario*) to, *inter alia*, express an opinion on the entrepreneur's proposal; (ii) orders that the proposal, together with the opinion of the judicial assistant and the final report of the expert, be delivered by the debtor to the creditors appearing on the list filed by the debtor itself; and (iii) sets the date of the hearing for the homologation. Creditors do not vote on the proposal but – along with any third party which has any interests – are entitled to object to the homologation within ten days before the date fixed for the hearing.

The court homologates the simplified composition with creditors proceeding for liquidation of assets (*concordato semplificato per la liquidazione del patrimonio*) when it verifies (i) the regularity of the adversarial principle among the parties (*contraddittorio*) and the proceeding; (ii) the compliance with the pre-emption rights (*cause di prelazione*); (iii) the feasibility of the liquidation plan, and finds that the proposal does not cause a prejudice to the creditors compared to what they would receive in case of judicial liquidation (*liquidazione*

giudiziale) of the entrepreneur, and in any case ensures that each creditor receives a certain recovery. With the homologation decree, the court also appoints a liquidator.

The parties may challenge the homologation decree within 30 days after the notification of the same.

Pursuant to article 25-septies of the Insolvency Code, the liquidation plan may also include an offer by a pre-identified third party to transfer the business or one or more branches of the business or specific assets to such third party, even before the approval: in this case, the judicial liquidator, having verified the absence of better solutions on the market, may implement the offer.

Certified restructuring plans (*piani attestati di risanamento*) under article 56 of the Insolvency Code

Certified restructuring plans (*piani attestati di risanamento*) under article 56 of the Insolvency Code are out-of-court tools consisting of a restructuring plan addressed to creditors and prepared by debtors who are either insolvent or in a state of crisis, in order to permit the restructuring of the debtor's indebtedness and supporting the rebalancing of the debtor's financial condition, which shall be certified by a third-party independent expert appointed directly by the debtor and enrolled in the register of auditors and accounting experts (*Registro dei Revisori Contabili*). The independent expert – which must verify the feasibility of the restructuring plan and the truthfulness of the business data provided by the company – must possess certain specific professional requisites and qualifications set out in article 2, par. 2, letter o) of the Insolvency Code, amongst which he/she has to meet the requirements set forth by Article 2399 of the Italian Civil Code and may be subject to liability in case of misrepresentation or false certification.

The certified restructuring plans (*piani attestati di risanamento*) are usually implemented by means of one or more agreements entered by the company with the relevant creditors/counterparties. Such agreements are merely private agreements and do not affect the right of creditors who are not a party to the agreement to enforce their claims, guarantees or securities. As such, there is no "automatic stay" by operation of law.

The certified restructuring plans (*piani attestati di risanamento*) and the relevant agreements are not under any form of judicial control or approval and, therefore, no application is required to be filed with the court or supervising authority. Also, no approval or consent by a specific majority of all outstanding claims are required.

The terms and conditions of these plans are freely negotiable, provided they are finalized at restructuring the debtor's indebtedness and rebalancing its capital structure. However, the possibility to adopt such tools to liquidate the debtor is disputed, as it is argued they shall provide for the restructuring of the debtor's indebtedness and the rebalancing of its financial condition on a going concern basis.

Article 56, paragraph 2, of the Insolvency Code, as amended by the Decree 136/2024, sets out the "minimum content" of the plan including, *inter alia*, indication of non-adhering creditors, the financial resources necessary to pay their claims at the relevant due dates as well as the causes of the crisis and the debtor's assets and liabilities at the time of submission. Also, it must be supported by adequate documentation representing the financial and commercial situation of the debtor. Moreover, they must be suitable for the purpose of assuring the restructuring of the indebtedness of the debtor and rebalancing its financial position and, in case of its failure and subsequent challenge (*impugnazione*) before an Italian Court, they must not be deemed as being unreasonable.

As expressly provided under article 166, para. 3, letter (d) of the Insolvency Code, should these plans fail, and the debtor be declared insolvent, the payments and/or acts carried out, and/or security interest granted on the debtor's assets for the implementation of the reorganization plan, subject to certain conditions, are not subject to any claw-back action (*azione revocatoria*), including the ordinary claw-back action provided for pursuant to article 2901 of the Italian Civil Code (*azione revocatoria*). Furthermore, they are exempted from the potential application of certain criminal sanctions.

There is no homologation by the court. The publication in the companies' register of the plan, the report of the independent expert and the agreement(s) is not mandatory and it is possible upon a debtor's request and would allow to certain tax benefits, and, therefore, the risk of bad publicity or disvalue judgments are lower than in case of a Court supervised composition with creditors or a debt restructuring agreement.

As mentioned, the publication of the out-of-court recovery plans in the companies' register is necessary for the company to take advantage of certain tax benefits provided for in article 88, paragraph 4-*ter* and 101, paragraph 5 TUIR (*Testo Unico delle Imposte sui Redditi*). Consequently, based on applicable law, unless the above-mentioned tax benefits are requested by the debtor (thus triggering the publication of the plan in the Companies' Register), the entering into a out-of-court recovery plans by the debtor may not be disclosed to the other creditors of the debtor and grants the debtor confidentiality.

Since the recovery plan (or the agreements entered into to implement it) is not subject to any court approval or judicial review, it cannot be excluded that the abovementioned exemption effects will be challenged in the event of subsequent judicial liquidation, if the competent Court were to assess that the recovery plan was not feasible at the time it was certified by the independent expert.

Debt-restructuring agreements (*accordi di ristrutturazione dei debiti*) under article 57 of the Insolvency Code and ff.

A debtor which is insolvent or is facing a state of crisis may enter into a debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) provided for pursuant to article 57 and ff. of the Insolvency Code with creditors holding at least 60% of the outstanding indebtedness, which shall be certified by an independent expert appointed by the debtor as per assessment of the truthfulness of the business and accounting data provided by the company and the declaration of its feasibility and requesting its homologation by the competent court.

More specifically, the independent expert, shall certify that the plan and the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) ensure that the indebtedness vis-à-vis non-adhering creditors can be fully satisfied within the following terms in a 120-day term from: (i) the date of homologation of debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) by the court, in the case of debts which are due and payable to the non-participating creditors as of the date of the homologation; and (ii) the date on which the relevant debts fall due, in case of debts which are not yet due and payable to the non-adhering creditors as at the date of the homologation of the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) by the court.

The debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) is published in the companies' register and becomes effective as of the day of its publication. Creditors and other interested parties may challenge the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) within 30 days from the publication of the same in the companies' register. After having decided on the opposition filed (if any), the court homologates the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) by issuing a decree, which can be appealed within 30 days of its publication pursuant to article 51 of the Insolvency Code.

The plan must be prepared in accordance with the provisions of Article 56. With that being said, the Insolvency Code does not expressly provide for any indications concerning the contents of the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*). The plan can therefore provide, *inter alia*, either for the debtor or a third party carrying out the business, or the sale of the business, and may contain refinancing agreements, moratoria, write offs and/or postponements of claims. The debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) may also contain a proposed tax settlement for the partial or deferred payment of certain taxes (Decree 136/2024 changes the rules for the cram-down of public creditors in case of non-adherence to (or refusal of) the tax or social security settlement (*transazione fiscale*) proposal made by the debtor, as set out in the current article 63 of the Insolvency Code).

If the plan provides for transformation, merger or demerger of the company it shall be published in the company's register, and any creditor may oppose its approval. The debtor shall carry out the transformation/merger/demerger activities after the homologation of the debt restructuring agreement by the Court or before its homologation upon a specific Court's authorization if the Court considers that the implementation after the approval would prejudice the interest of the creditors of the debtor company, provided that the consent of all the creditors of the other participating companies is shown or that they make payment to those who have not given consent or deposit the corresponding sums in a bank.

Pursuant to article 58, para. 1 of the Insolvency Code, in the event of substantial amendments to the plan before the approval, the report issued by the expert and the consent to the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) expressed by creditors shall be renewed. The report shall also be renewed in the event of substantial amendment. In the event of substantial amendments after the approval, the debtor shall make such amendments as are appropriate to ensure the implementation of the agreements, by requesting the update of the certified report issued by the expert having the requirements set forth in article 57, para. 4 of the Insolvency Code. In this case, the renewed certified report, together with the amended restructuring plan, shall be published in the companies' register, giving proper notice to the creditors by registered letter or *via* certified email. The parties may file an objection (*opposizione*) to the abovementioned decree within 30 days after having been notified of the same.

With the petition for the homologation of the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) by the competent court (or at any time pending the procedure) the debtor may request to be granted any protective measures (aimed at providing for the stay of actions or the creation by creditors of security interest, unless it is agreed in the debt restructuring agreement in relation to pre-existing debts, etc.). Such measures can also be requested (i) pursuant to article 54, para. 3 of the Insolvency Code, to the court by the debtor pending negotiations with creditors (*i.e.*, prior to the filing of the petition for the homologation of the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*)), subject to certain conditions, or (ii) pursuant to article 44 of the Insolvency Code, together with a "simplified application" for the access to one of the crisis and insolvency regulation tool provided for by the Insolvency Code. According to article 54, para. 2, of the Insolvency Code, provided that the petition for the homologation of the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) includes the relevant request for measures, from the date of publication of the petition in the companies' registry, it is prohibited to commence or continue the enforcement and the conservative actions (or, in any event, to take any initiatives prohibited under the relevant measures).

It is a court-supervised proceeding which does not provide for the dispossession of debtor; however, the court may appoint a judicial commissioner to oversee the proceedings and must do so in case petitions for the opening of judicial liquidation (*liquidazione giudiziale*) are pending, when it is necessary for the protection of the parties who filed such petitions. Being a court-supervised procedure, it can take from a few months up to more than a year (the duration of the proceedings are generally influenced by challenges).

Creditors entering into the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) are not required to receive the same treatment (*i.e.*, they are free to reject the proposal and to protect their interests otherwise) and no cram-down is applicable to third-party non-adhering creditors, which shall be fully re-paid within the relevant deadlines outlined above.

The Court, having verified the completeness of the documentation filed by the debtor, fixes the date for a hearing to be held no earlier of 15 days from the notification of the relevant filing. Pending such deadline, creditors and other interested parties may file an opposition to the homologation. At such hearing, the court decides upon any opposition and assesses whether the conditions for the approval are met.

Without prejudice to all the above, articles 60, 61 and 62 of the Insolvency Code provide for the following additional types of debt-restructuring agreement (*accordo di ristrutturazione dei debiti*).

Article 60 of the Insolvency Code provides for the so called facilitated debt-restructuring agreement (*accordi di ristrutturazione agevolati*). Such proceeding, is a particular kind of debt restructuring agreement which may be entered into with creditors representing as little as 30% of the total indebtedness (instead of the 60% generally required under article 57, para. 1, of the Insolvency Code) provided that the debtor: (i) does not propose the standstill on the payment of non-adhering creditors; and (ii) has not previously requested (and waives to request) to the court the granting of protective interim measures on the its assets.

Pursuant to the article 61 of the Insolvency Code, debtors are entitled to enter into debt-restructuring agreement by obtaining the approval of creditors representing at least 75% of the credits belonging to the same category (with respect to the homogeneity of their status and economic interests) and can request the court to declare that agreement binding on the non-adhering creditors belonging to the same category (so called "*cram down*").

More in detail, debt-restructuring agreement with extended effects (*accordi di ristrutturazione ad efficacia estesa*) under article 61 of the Insolvency Code – which were previously only permitted in relation to debts owed to banks and financial intermediaries where such debts represented at least 50% of the total indebtedness – can now be applied to any category of creditors, provided that, *inter alia*: (i) all the creditors belonging to the same category have been informed of the start of the negotiations and have been able to participate in them in good faith and have received complete and up-to-date information on the debtor's assets, economic and financial situation as well as on the restructuring agreement and its effects; (ii) the agreement provides for the continuation of the business activity either directly or indirectly pursuant to article 84 of the Insolvency Code; (iii) the claims of the consenting creditors belonging to a same category represent at least 75% of all the claims belonging to the same category; (iv) the non-adhering creditors belonging to the same category to which the effects of the agreement are extended can be satisfied under the agreement for an amount not lower than the amount they would receive with the judicial liquidation being understood that a creditor may hold claims in more than one category; and (v) the debtor has notified the agreement, the application for Court approval and the documents attached thereto to the creditors to be crammed down. As mentioned above, the percentage of 75% is lowered to 60% if the debt restructuring agreement is referred to in the final report issued by the expert at the end of the negotiations pertaining to the negotiated crisis settlement procedure (*composizione negoziata per la soluzione della crisi d'impresa)*.

Moreover, pursuant to para. 5 of article 61 of the Insolvency Code, if a debtor whose financial indebtedness is at least 50% of their total indebtedness, debt-restructuring agreement may identify one or more categories of creditors which are banks and financial intermediaries which have a homogeneous legal position and economic interests and extend the effects of the agreement to non-participating creditors who are part of the same category. In such case, the agreement is valid even if it does not contemplate the direct or indirect continuation of the business activity as a going concern. However, the rights of creditors who are not banks or financial intermediaries remain valid.

Pursuant to the article 62 of the Insolvency Code, a standstill agreement (*convenzione di moratoria*) entered into between a debtor and its creditors representing 75% of the same class would is also binding over the non-adhering creditors, provided that (i) certain conditions are met, such as, *inter alia*, (a) all the creditors belonging to the relevant category have been duly noticed of the beginning of the negotiations, have been made able to participate in the negotiations and have received complete and up-to-date information on the debtor's assets, economic and financial situation and on the agreement and its related effects; (b) the claims of the adhering creditors belonging to the same categories represent 75% of all the creditors of the same class; and (c) there is a real prospect that the non-adhering creditors of the same category, to whom the effects of the agreement are extended, may be satisfied at the outcome of the agreement to an extent not less than in the judicial liquidation; and (ii) an independent expert certifies (a) the truthfulness of the business data, (b) the attitude of the standstill agreement to temporarily regulate the effects of the crisis and (c) the meeting of the condition under (i)(c) above

(*i.e.* the fact that the treatment reserved to non-adhering creditors is at least equal to the one they could obtain in the context of a judicial liquidation).

Non-adhering crammed-down creditors can challenge the standstill agreement within 30 days after the notification of the same.

In no case debt restructuring agreements provided for under article 61 of the Insolvency Code and standstill agreements provided under article 62 of the Insolvency Code may impose on the non-adhering creditors, *inter alia*, performance of new obligations, the granting of new overdraft facilities, the maintenance of the possibility to utilize the existing facilities or the utilization of new facilities.

By virtue of article 59 of the Insolvency Code, article 1239 of the Italian Civil Code applies to the creditors that have adhered to the debt-restructuring agreements. Non-participating creditors maintain their claims towards (i) those who are jointly and severally liable with the debtor, (ii) the debtor's guarantors and (iii) debtors by way of right of recourse (*regresso*). Unless agreed otherwise, debt restructuring agreements produce effect towards the shareholders who are jointly liable with non-limited liability companies, provided that, if such shareholders have granted guarantees, they will remain liable as guarantors.

For the analysis of the rules provided under article 99 of the Insolvency Code – which applies to both debt-restructuring agreements (*accordi di ristrutturazione dei debiti*) and to the composition with creditors proceedings (*concordati preventivi*) – regulating the super-senior financings authorised before the homologation of a debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) and a composition with creditors proceeding (*concordato preventivo*) please see the specific section under paragraph "Super-senior financing under the Insolvency Code" below.

Restructuring plans subject to homologation (*piani di ristrutturazione soggetti a omologazione*) under article 64-bis of the Insolvency Code

The restructuring plans subject to homologation (*piani di ristrutturazione soggetti a omologazione*) – abbreviated, PRO – under articles 64-*bis* and 64-*ter* of the Insolvency Code constitute a novelty in the business and crisis and insolvency legal framework. Pursuant to this new tool, which is available to debtors which are insolvent or are facing a state of crisis, the restructuring plan, subject to the fulfilment of certain requirements, may not comply with the statutory pre-emption rights set out under the Italia Civil Code and the applicable regulation.

This instrument allows the plan's proceeds to be distributed even in derogation of the principle of "*par condicio creditorum*" (i.e. the equal treatment of creditors) and statutory priority rules, provided that the strict requirements are met: the proposal approved by all creditors' classes (the rules on voting are the same as those provide for the composition with creditors). The creditors must be divided into classes according to homogeneous legal positions and economic interests. The court has to assess the proposal's timelines and to verify the correctness of the class formation criteria.

The restructuring plans subject to homologation (*piani di ristrutturazione soggetti a omologazione*) shall provide for payment in full, by means of cash, of claims secured by the privilege under article 2751-*bis* no. 1 of the Civil Code (*i.e.*, salaries) within 30 days of homologation and must be certified, as to the truthfulness of the company data and the feasibility of the plan, by an independent professional meeting the requirements of the Insolvency Code.

The debtor shall file the restructuring plans subject to homologation (*piani di ristrutturazione soggetti a omologazione*) before the courts together with all relevant documents provided under the Insolvency Code. The court shall assess the regular filing and the correctness of the criteria for the formation of the classes: in this case, the courts appoint the judicial commissioner, the delegated judge and set the deadlines for the creditors to vote. The following phase must follow the steps of the common framework applicable to all crisis and

insolvency regulation tools and frameworks (i.e. composition with creditors proceeding (*concordato preventivo*), debt-restructuring agreement (*accordi di ristrutturazione dei debiti*) and judicial liquidation (*liquidazione giudiziale*)).

From the date of filing of the petition until the homologation, the entrepreneur maintains the ordinary and extraordinary management of the company in the prevailing interest of the creditors under the supervision of the judicial commissioner and must inform the judicial commissioner in advance for the performance of acts falling outside the ordinary course of business and for payments inconsistent with the restructuring plan.

There is no "automatic stay": nevertheless, the debtor can file a specific request for the application of the stay of action, to stop/block enforcement and/or pre-cautionary actions by creditors over its assets up until the homologation of the agreement (and such request can be filed also pending the negotiations for the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*)). Final decision on such request (which is provisionally effective) shall be taken by the competent courts and the length of such stay of action period is for maximum 4 months (subject to extensions under certain circumstances, in any case not exceeding an overall period of 12 months). During the stay-of-action period the judicial liquidation (*liquidazione giudiziale*) cannot be opened by the courts.

In each class, the proposal is approved if a majority of the claims allowed to vote is reached or, failing that, if two-thirds of the claims of the voting creditors have voted in favour, provided that creditors holding at least half of the total claims of the same class have voted. Secured creditors are not admitted voting if they are repaid in full (by means of cash) within 180 days (reduced to 30 days for employees) after the homologation without any waiver to their security interests.

According to article 64-*quarter* of the Insolvency Code, if the restructuring plan (*piano di ristrutturazione*) is not approved by all classes, the debtor, *inter alia*, may amend the application by making a proposal for a composition with creditors (*concordato preventivo*). In that case, the time limit for approval is reduced by half. Similarly, the debtor that filed an application for composition with creditors may amend the application by applying for court validation of the restructuring plan provided that the application is made before the voting procedure commences.

The court will homologate the restructuring plan (*piano di ristrutturazione*) in the event of approval by all classes. If a dissenting creditor objects to the proposal, the court will approve and homologate the restructuring plan if the proposal satisfies the claim to a not lesser extent than the one resulting from a judicial liquidation. A creditor that has not objected to the lack of convenience in its observations may not file an objection referred before, unless it proves such the lack of objection was due to a cause not attributable to it.

Against the judgment of the court ruling on the homologation of the restructuring plan subject to homologation (*piano di ristrutturazione soggetto a omologazione*), the parties may file an appeal before the competent court of appeal within the term of 30 days from the notification of the relevant judgement of the court.

Acts, payments, and guarantees/security interest on the debtor's assets carried out in execution of the homologated restructuring plans subject to homologation (*piani di ristrutturazione soggetti a omologazione*) and indicated therein are not subject to claw-back action pursuant to article 166 of the Insolvency Code.

According to the Decree 136/2024, the restructuring plan subject to homologation (*piano di ristrutturazione soggetto a omologazione*) is further enhanced by provisions that:

(i) allows for tax and social security settlement (*transazione fiscale e contributiva*) before the filing of the homologation petition. The debtor has the possibility to propose to the Italian Tax Authority to inter into such settlement agreement, which may provide for a partial or deferred payment of the debts. An independent expert must certify (i) the accuracy of the company's data, and (ii) the convenience compared to the alternative of judicial liquidation. The Italian Tax Authority shall approve the entering into the

settlement agreement within 90 days from the proposal, but if the debtor amends the proposed agreement, such term shall be extended for further 60 days. And in case those amendments are material (*i.e.* the debtor propose a different settlement agreement), the Italian Tax Authority has further 90 days from the new proposal to accept the agreement.; and

(ii) provides that the debtor may be authorized by the court, even before the homologation, to transfer the business or business units without the buyer's joint liability (except for employee debts). The debtor shall select the transferee within a competitive proceeding and shall prove to the Court that such transfer is functional to the going concern and the best satisfaction of creditors. The proposed transaction shall be approved by the Court.

Extraordinary administration for large insolvent companies (*amministrazione straordinaria delle grandi imprese insolventi*) under the Decree 270

Decree 270 introduced a specific extraordinary administration proceeding, otherwise known as the "Prodi-*bis*" (the "**Prodi-*bis* Procedure**"), applicable to insolvencies of major companies (the "**Extraordinary Administration**").

The aim of the Prodi-*bis* Procedure is to ensure continuation of the business operated by the debtor by either enabling the same to regain the ability to meet its obligations in the ordinary course of business by the end of the procedure or by transferring the business (on a going concern basis) to third parties.

To be eligible for the Prodi-*bis* Procedure, the company must be insolvent although able to demonstrate serious recovery prospects and have:

(i) employed at least 200 employees in the year before the procedure was commenced; and

(ii) debts equal to at least two-thirds of the value of its assets as shown in its financial statements and two-thirds of income from sales and the provision of services during the last financial year.

Insolvent companies, belonging to the group of a company that qualifies for the Prodi-*bis* Procedure, may be submitted to the latter, if certain conditions are met, also if they do not qualify per-se for the Prodi-*bis* Procedure.

The same rules set forth for judicial liquidation proceedings with respect to creditors' claims largely apply to extraordinary administration proceedings.

The Prodi-*bis* Procedure is divided into two main phases:

(i) judicial phase: following a petition, (which may be filed by one or more creditors, the debtor or the public prosecutor) or by initiative of the court, the latter will determine whether the company meets the criteria for admission and, in particular whether the company is insolvent. If the company is insolvent, the court will issue a decision to that effect and appoint one or three judicial receiver(s) (*comissario/i giudiziale/i*) to evaluate whether the business has serious prospects of recovery (either through a sale of assets or a reorganisation of its business) and to report back to the court within 30 days and within ten days of this filing, the Italian Ministry of Enterprises and Made in Italy may issue an opinion on the admission of the company to the extraordinary administration procedure. The court then has a further 30 days to decide whether to admit the company to the Extraordinary Administration procedure or place into judicial liquidation procedure;

(ii) administrative phase: once the Extraordinary Administration procedure has been approved, the extraordinary commissioner(s) appointed by the Italian Ministry of Enterprises and Made in Italy shall prepare a restructuring plan. The plan can provide either for the sale of the business as a going concern within one year (unless extended by the Italian Ministry of Enterprises and Made in Italy) (the "**Disposal Plan**") or a reorganization leading to the company's economic and financial recovery within

two years (unless extended by the Italian Ministry of Enterprises and Made in Italy) (the "**Recovery Plan**"); the plan may also include a composition with creditors (e.g., a debt for equity swap, an issue of shares in a new company to whom the assets of the company have been transferred, etc.) (*concordato preventivo*). The proceedings are administered by the extraordinary commissioner(s) who acts under the supervision of the Italian Ministry of Enterprises and Made in Italy. While unsecured creditors may appoint one or two members to the supervisory committee for the proceedings, the majority of the supervisory committee, and also the chair, will be appointed by the Italian Ministry of Enterprises and Made in Italy. The plan must be approved by the Italian Ministry of Enterprises and Made in Italy within 30 days from submission by the extraordinary commissioner.

In addition, the extraordinary commissioner issues a report every six months on the financial condition and interim management of the company and delivers it to the Italian Ministry of Enterprises and Made in Italy.

Once the Extraordinary Administration procedure has been approved, the principal effects are as follows:

(i) the company continues to carry out its business and debts incurred during the Extraordinary Administration are treated as priority claims which rank ahead of the claims of creditors whose rights accrued prior to the commencement of the Extraordinary Administration procedure and may be paid as they fall due;

(ii) the Extraordinary Commissioner(s) is/are entitled to terminate pending contracts to which the company is a party, except as provided under article 50, paragraph 4 of the Decree 270.

The procedure ends upon successful completion of either a Disposal Plan or a Recovery Plan, failing which the judicial liquidation of the company will be opened.

Article 91 of Decree 270, setting out the Prodi-*bis* Procedure, provides for a special form of insolvency claw-back action in case of intragroup transaction, pursuant to which the suspect period increases from six months to three years and from one year to five years. This is applicable to Prodi-*bis* Procedure only in case of implementation of the Disposal Plan.

Law Decree No. 4/2024 introduced article 74-*bis* in the Decree 270, with the aim of facilitating the closure of the procedure in the event that the company successfully overcomes the status of insolvency (also prior to the expiration of the deadline of the Recovery Plan or the Disposal Plan). In particular, pursuant to article 74-bis, paragraph 1, of the Decree 270, if the company manages to overcome the status of insolvency the Extraordinary Administration can be declared closed by the competent court, even pending litigations or enforcement proceedings involving the company. The extraordinary commissioners maintain the representation of the company in such proceedings and also in the proceedings to be commenced following the closure of the Extraordinary Administration to enforce judicial decisions issued during the procedure. Article 74-*bis* also outlines certain rules aimed at regulating the residual activities of the extraordinary commissioners following the closure of the procedure. Among other things, any sums eventually obtained by the extraordinary commissioners following the closure of the procedure are placed in a deposit bank account and are subject to distributions among creditors. When declares the closure of the procedure under article 74-*bis*, the court provides for additional reporting activities of the extraordinary commissioners and sets the rules for the supplementary distribution of the sums eventually obtained following the closure of the procedure.

Extraordinary administration for the industrial restructuring of large insolvent companies *(amministrazione straordinaria per la ristrutturazione industriale delle grandi imprese insolventi)* under the Decree 347

The Decree 347/2003 introduced a specific extraordinary set of rules for companies meeting certain size requirements, also known as the "**Marzano Procedure**". Decree 347/2003 is complementary to the Prodi-*bis*

Procedure and except as otherwise provided in Decree 347/2003 the provisions of the Prodi-*bis* Procedure shall apply. The Marzano Procedure only applies to insolvent companies which, on a consolidated basis, have at least 500 employees in the year before the procedure was commenced and at least Euro 300 million of outstanding debt.

The Marzano Procedure is intended to be faster than the Prodi-*bis* Procedure. For example, although a company must be insolvent, the application to the Ministry can be made before the court commences the judicial phase.

Under Decree 347, the decision whether to open the procedure is taken by the Minister of Economic Development that, upon request of the debtor (who at the same time must file with the relevant court an application for the declaration of its insolvency), assesses whether the relevant requirements are met and if such requirements are met appoints the extraordinary commissioner(s). The extraordinary commissioner(s) immediately becomes responsible for the management of the company. The court decides on the insolvency of the company.

Within 180 days of his appointment (or 270 days if so agreed by the Italian Ministry of Enterprises and Made in Italy) the extraordinary commissioner(s) must submit a plan for the rescue of the business by way of an asset liquidation or restructuring to the Italian Ministry of Enterprises and Made in Italy for approval and at the same time must file with the competent court a report on the state of the business.

The restructuring through the Disposal Plan or the Recovery Plan must be completed within one year (extendable to two years) and two years, respectively. If no Disposal Plan or Recovery Plan is approved by the Italian Ministry of Enterprises and Made in Italy, the court will declare the company insolvent and open judicial liquidation proceedings.

A restructuring plan proposed in the context of proceedings subject to Decree 347 may include a composition plan, with the possibility to divide creditors into classes, with different treatment applicable to creditors belonging to different classes and with proposals for a write-off of any obligations owed by the debtor and/or a conversion of debt securities (such as the Securities) into shares of the debtor company or any of its group companies. Decree 347 provides that a composition plan is approved by creditors according to the same majority voting rules as those which apply in the context of proceedings for composition with creditors, as described above. If the restructuring plan is not approved by the Italian Ministry of Enterprises and Made in Italy, the extraordinary commissioner(s) may propose a plan for the disposal of the assets. If the asset disposal program is not approved, the company is to be placed into liquidation.

Where Decree 134 applies to an extraordinary administration, its purpose is broadly to widen the powers of sale. For this purpose, the insolvency administrator is granted powers to identify and compose lines of business or partial lines of business, even if not pre-existing, which may be made subject to sale.

Law Decree No. 4/2024 amended article 2, paragraph 2, of the Decree 347, providing that in cases of companies directly or indirectly owned by state public administrations (excluding those issuing shares listed on regulated stock exchanges), admission to the Marzano Procedure of companies operating one or more industrial plants having a national strategic relevance may occur upon request of shareholders holding, individually or jointly, at least 30 percent of the company's shares, provided that the shareholders have communicated to the managing body of the company that the requirements for the admission to the procedure are met and the managing body of the company has either failed to submit the application for the admission to the procedure within the subsequent fifteen days or within the same fifteen days' term refused to file the petition in question. From the date of submission of the request by the shareholders, and until the closure of the Marzano Procedure or until the court's decision declaring the absence of the requirements for the opening of the procedure becomes final, the company cannot pursue any restructuring proceedings provided for by the Insolvency Code nor the filing for the access to the negotiated crisis settlement procedure.

Article 91 of the Decree 270 applies also to the Marzano Procedure, either in case of a Disposal Plan or in case of a Recovery Plan.

Compulsory administrative liquidation (liquidazione coatta amministrativa)

The compulsory administrative liquidation (*liquidazione coatta amministrativa*), provided under article 293 and ff. of the Insolvency Code, is only available for public interest entities such as state-controlled companies, insurance companies, credit institutions and other financial institutions, none of which can be wound up pursuant to judicial liquidation proceedings, save for a different indication under Italian law. It is irrelevant whether these companies belong to the public or the private sector.

The compulsory administrative liquidation (*liquidazione coatta amministrativa*) is special insolvency proceedings according to which the entity is liquidated not by the court but by the relevant administrative authority that oversees the industry in which the entity is active. The procedure may be triggered not only by the insolvency of the relevant entity, but also by other grounds expressly provided for by the relevant legal provisions (e.g., in respect of Italian banks, serious irregularities concerning the management of the bank or serious violations of the applicable legal, administrative or statutory provisions).

The effect of this procedure is that the entity loses control over its assets and a liquidator (*commissario liquidatore*) is appointed to wind up the company by the relevant governmental authority (e.g., the Bank of Italy or the Italian Ministry of Enterprises and Made in Italy, which are competent for the filing of an application for a declaration of insolvency with the subsequent opening of the compulsory administrative winding-up proceeding). The liquidator's actions are monitored by a steering committee (*comitato di sorveglianza*).

The powers granted to the delegated judge and the court under the other insolvency proceedings are assumed by the relevant administrative authority under this procedure.

The effect of the compulsory administrative liquidation (*liquidazione coatta amministrativa*) on creditors is largely the same as under insolvency proceedings and includes, for example, a ban on enforcement measures. The same rules set forth for insolvency proceedings with respect to existing contracts and creditors' claims largely apply to a compulsory administrative liquidation (*liquidazione coatta amministrativa*).

Adequate organizational, administrative and accounting corporate structures

The Insolvency Code has introduced the definition of the organizational, administrative and accounting structures (*assetto organizzativo, amministrativo e contabile*) of a company which are deemed to be adequate (*adeguato*) under article 2086 of the Italian Civil Code, required by the applicable regulations for the purpose of timely detection of the state of crisis and the undertaking of suitable initiatives by the debtor.

More precisely, article 3 of the Insolvency Code requires the entrepreneur to adopt an appropriate organizational structure in accordance with article 2086 of the Italian Civil Code, for the purpose of timely detection of the crisis of the company as well as the timely undertaking of suitable initiatives to overcome the crisis and recover business continuity.

According to article 3 of the Insolvency Code:

(i) for the purpose of the timely detection of the company's state of crisis, the measures and structures deemed to be adequate should make it possible to:

  (a) detect any imbalances of an equity or economic-financial nature, related to the specific characteristics of the company as well as to the business activity carried out by the debtor;

  (b) verify the sustainability of debts and the outlook of the business continuity for the next twelve months as well as the warning tools identified by article 3, para. 4 of the Insolvency Code; and

(c) provide the information necessary to follow the detailed checklist and conduct the practical test for the reasonable pursuit of the debtor's financial recovery, provided for in article 13, para. 2 of the Insolvency Code.

(ii) the warning tools are identified, *inter alia*, as follows:

(a) the existence of payroll debts overdue for at least 30 days equal to more than half of the total monthly payroll amount;

(b) the existence of receivables owed to suppliers that are at least 90 days past due in an amount greater than the amount of receivables that are not past due;

(c) the existence of exposures to banks and other financial intermediaries that have been past due for more than 60 days or have exceeded the limit of credit facilities obtained in any form for at least 60 days provided that they represent in the aggregate at least 5% of the total exposures; and

(d) the existence of one or more exposures to certain public institutions listed under article 25-*novies*, para. 1 of the Insolvency Code.

Super-senior financing under the Insolvency Code

Please find below a brief summary of the main features of the provisions concerning different available financings under the Insolvency Code (namely, bridge financings, interim financings, financing in execution of the plan).

Interim financings – article 99, paragraphs from 1 to 4 of the Insolvency Code

The provision of article 99 of the Insolvency Code applies to the court-supervised compositions with creditors (*concordato preventivo*) as well as to the debt restructuring agreement by express reference of article 57, paragraph 4-*bis*, of the Italian Insolvency Code.

Pursuant to article 99, para. 1 and 2, of the Insolvency Code, in the context of restructuring transactions on a going concern basis (*continuazione dell'attività aziendale*), also in cases in which business continuity is maintained exclusively in a view of liquidation, upon the debtor's request, the Court, after the filing of a petition pursuant to articles 40 or 44 of the Insolvency Code and until the homologation of the debt-restructuring agreements (*accordi di ristrutturazione dei debiti*) (pursuant to article 57, or article 60 or 61 of the Insolvency Code) or a petition pursuant to article 87 of the Insolvency Code in relation to the composition with creditors proceeding (*concordato preventivo*), may authorize the debtor to be granted with new super-senior loans (*finanziamenti prededucibili*) and to secure such indebtedness, subject to the Court's authorisation with in rem security (*garanzie reali*), or by assigning claims, provided that the petition specifies:

(i) the purpose of the financing;

(ii) that the debtor is unable to otherwise obtain the required funds; and

(iii) that the absence of such financing will entail an imminent and irreparable prejudice to the going concern or to the proceedings;

The petition shall be accompanied by the report of the expert appointed by the debtor in which he/she, having verified the overall financial needs of the company until the homologation, declares that the new loans are functional to the continuity of the business activities until the homologation of the relevant insolvency proceedings or to the opening of the proceedings or to conduct them and, in any case, are aimed at providing a better satisfaction of the rights of the creditors. The expert report is not necessary in case the Court recognizes that there is the urgent need to avoid an imminent and irreparable prejudice to the going concern. In the event of the subsequent admission of the debtor to the judicial liquidation (*liquidazione giudiziale*), the

aforementioned financings do not benefit from the super-senior priority (*prededucibilità*) in case the petition or the independent expert report contain false data or omit important information or in case the debtor performed acts in fraud of the creditors (*atti in frode ai creditori*) and the judicial receiver (*curatore*) proves that who made available such financings to the debtor, had knowledge of such circumstances at the date of the disbursement**.**

Bridge financings – article 99, para. 5 of the Insolvency Code

Pursuant to article 99, para. 5, of the Insolvency Code, loans (together with the related claims) granted, in any form, in view of (*i.e.* before) the filing of a petition for the homologation of a debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) (by express reference of article 57, paragraph 4-*bis* of the Insolvency Code) or a composition with creditors proceeding (*concordato preventivo*) (*finanza ponte*), may be rank super-senior (*prededucibili*) provided that (i) they meet the requirements of article 99, para. 1 and 2 (as outlined above), and (ii) they are provided under the relevant plan or agreement and provided that super-seniority (*prededucibilità*) is expressly provided for in the decree by means of which the court accepts the application for admission to the composition with creditors proceeding (*concordato preventivo*) or homologate the restructuring agreement (*accordo di ristrutturazione*).

The indebtedness under such loans may be secured, subject to the court's authorization, with in rem security (*garanzie reali*), or by assigning claims.

Implementation financing – article 101 of the Insolvency Code

Pursuant to article 101 of the Insolvency Code, in the context of restructuring transactions on a going concern basis (*continuazione dell'attività aziendale*), any loan granted to the debtor as implementation of an homologated composition with creditors proceeding (*concordato preventivo*) or debt-restructuring agreement (*accordi di ristrutturazione dei debiti*) (by express reference of article 57, paragraph 4-*bis* of the Insolvency Code) ranks super-senior (*prededucibile*) to the extent that they are expressly provided under the relevant plan providing for the continuation of the business activity.

In the event of the subsequent admission of the debtor to the judicial liquidation (*liquidazione giudiziale*), the abovementioned loans do not benefit from the super senior priority (*prededucibilità*) in case the plan of the composition with creditors proceeding (*concordato preventivo*) or of the debt-restructuring agreement (*accordo di ristritturazione*), on the basis of an assessment to be made at the time of the relevant filing, results to be based upon false data or omission of relevant information or in case the debtor performed acts in fraud of the creditors (*atti in frode ai creditori*) and the judicial receiver (*curatore*) proves that who made available such financings to the debtor, had knowledge of such circumstances at the date of the disbursement.

The shareholders' financing – article 102 of the Insolvency Code

Pursuant to article 102, para. 1 of the Insolvency Code, super-seniority (*prededucibilità*) is granted also for claims up to 80% of the value of shareholder loans that have been granted to the company in any form (including any guarantee facility or granting counter-indemnities) in implementation or in anticipation of a homologated composition with creditors proceeding (*concordato preventivo*) or debt-restructuring agreement (*accordo di ristrutturazione*) (by express reference of article 57, paragraph 4-*bis* of the Insolvency Code) (also by way of derogation from the statutory subordination regime provided under the Italian Civil Code, by articles 2467 and 2497-*quinquies*, with respect to loans granted to limited liability companies by its shareholders or by entities that exercise direction and coordination activities).

According to para. 2 of article 102 of the Insolvency Code, if the lender become a shareholder only following the execution of the composition with creditors proceeding (*concordato preventivo*) or the debt-restructuring agreement (*accordo di ristrutturazione dei debiti*), the superior seniority will apply to the entire amount of the loan.

Super senior ranking – article 99 para. 6 and article 101 para. 2 of the Insolvency Code

Super senior ranking (*prededucibilità*) of the claims is the most relevant feature of bridge financings, interim financings and implementation financings as described in the paragraphs above.

Pursuant to article 6, paragraph 1 of the Insolvency Code, the claims deriving from such financings are expressly qualified as super senior by law and by article 6, paragraph 2 of the Insolvency Code which clarifies that their super senior ranking natures continues in the context of any subsequent insolvency or enforcement proceedings (including in a judicial liquidation or any so-called minor proceedings).

As already explained above, on specific cases, the abovementioned loans may not rank super-senior in case of judicial liquidation, if, *inter alia*, the judicial receiver (*curatore*) proves that acts of fraud were committed by debtor, although authorized by the court in the context of the composition with creditors or the debt restructuring agreement.

More specifically, with reference to interim financings and bridge financings, article 99 para. 6 of the Insolvency Code provides that, in case of the opening of a judicial liquidation (*liquidazione giudiziale*), such financings (although authorized by the court in the context of the composition with creditors proceeding (*concordato preventivo*) or the debt-restructuring agreement (*accordo di ristrutturazione*)) do not benefit from super senior ranking when it is proved (jointly) that: (i) the request or the independent expert report contains false data or omits relevant information, or when the debtor has committed acts to defraud creditors in order to obtain the authorization; and (ii) the receiver proves that the lender, at the date of granting of the loan, was aware of the abovementioned circumstances.

With reference to implementation financings, article 101 para. 2 of the Insolvency Code provides that such loans do not benefit from the super-seniority (*prededucibilità*), in case of the opening of a judicial liquidation (*liquidazione giudiziale*) (alternatively): (i) when, based on an assessment to be made at the time of filing of the petition for the opening of the proceeding, the plan underlying the composition with creditors proceeding (*concordato preventivo*) or debt-restructuring agreement (*accordo di ristrutturazione dei debiti*) (by express reference of article 57, paragraph 4-*bis* of the Insolvency Code) turns out to be based on false data or on the omission of relevant information; or (ii) when the debtor has carried out acts of fraud towards its creditors and the receiver proves that the lenders providing the loans were aware of such circumstances at the time of the establishment of the financings.

OVERVIEW OF PROVISIONS RELATING TO THE SECURITIES WHILE REPRESENTED BY THE GLOBAL SECURITIES

The following is a summary of the provisions in relation to the relevant Securities to be contained in the relevant Trust Deed to constitute the relevant Securities, and in the Global Securities, which will apply to, and in some cases modify, the relevant Terms and Conditions of the Securities while the Securities are represented by the Global Securities.

Exchange

The Permanent Global Security will be exchangeable in whole but not in part (free of charge to the holder) for definitive Securities only:

(A) on the Liquidation Event Date; or

(B) if either Euroclear or Clearstream is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

Thereupon the holder of the Permanent Global Security (acting on the instructions of one or more of the Accountholders (as defined below)) may give notice to the Issuer of its intention to exchange the Permanent Global Security for definitive Securities on or after the Exchange Date (as defined below).

On or after the Exchange Date, the holder of the Permanent Global Security may surrender such Permanent Global Security to or to the order of the Principal Paying Agent. In exchange for the Permanent Global Security the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of definitive Securities (having attached to them all Coupons in respect of interest which has not already been paid on such Permanent Global Security and one Talon), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in the relevant Trust Deed. On exchange of the Permanent Global Security, the Issuer will procure that it is cancelled and, if the holder so requests, returned to the holder together with any definitive Securities.

For these purposes, "**Exchange Date**" means a day specified in the notice requiring exchange falling not less than 60 days after that on which such notice is given and being a day on which banks are open for general business in the place in which the specified office of the Principal Paying Agent is located and, except in the case of exchange pursuant to (B) above, in the place in which the relevant clearing system is located.

Payments

On and after 23 February 2026, no payment will be made on the Temporary Global Security unless exchange for an interest in the Permanent Global Security is improperly withheld or refused.

Payments of principal and interest in respect of Securities represented by a Global Security will (subject as provided below) be made in the manner specified in Conditions 4 and 5 of the relevant Terms and Conditions of the Securities in relation to definitive Securities or otherwise against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, against surrender of such Global Security to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the relevant Securityholders for such purposes. A record of each payment made will be endorsed on the appropriate part of the schedule to the Global Security by or on behalf of the Principal Paying Agent, which endorsement shall be prima facie evidence that such payment has been made in respect of the relevant Securities. Payments of interest on a Temporary Global Security (if permitted by the first sentence of this paragraph) will be made only upon certification as to non-U.S. beneficial ownership unless such certification has already been made.

The holder of a Global Security shall be the only person entitled to receive payments in respect of the Securities represented by such Global Security and the payment obligations of the Issuer will be discharged by payment to, or to the order of, the holder of such Global Security in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream as the beneficial holder of a particular nominal amount of Securities represented by such Global Security must look solely to Euroclear or Clearstream, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Security.

Payments on business days

In the case of all payments made in respect of a Temporary Global Security or a Permanent Global Security "**business day**" means any day which is a T2 Settlement Day.

Optional Redemption and Early Redemption

In order to exercise any option contained in Condition 6 of the relevant Terms and Conditions of the Securities, the Issuer shall give notice to the Securityholders and Euroclear and/or Clearstream (or procure that such notice is given on its behalf) within the time limits set out in and containing the information required by that Condition.

Notices

For so long as all of the Securities are represented by one or both of the Global Securities and such Global Security is or Global Securities are held on behalf of Euroclear and/or Clearstream, notices to Securityholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream (as the case may be) for communication to the relative Accountholders (as defined below) rather than by publication as required by Condition 12 of the relevant Terms and Conditions of the Securities, provided that, so long as such Securities are listed on Euronext Dublin, notice will also be given by publication on Euronext Dublin's website at *https://www.euronext.com/en/markets/dublin*. Any such notice shall be deemed to have been given to the Securityholders on the day on which such notice is delivered to Euroclear and/or Clearstream (as the case may be) as aforesaid.

While any of the Securities held by a Securityholder are represented by a Global Security, notices to be given by such Securityholder may be given by such Securityholder (where applicable) through Euroclear and/or Clearstream and otherwise in such manner as the Principal Paying Agent and Euroclear and Clearstream may approve for this purpose.

Accountholders

For so long as all of the Securities are represented by one or both of the Global Securities and such Global Securities is/are held on behalf of Euroclear and/or Clearstream, each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or Clearstream as the holder of a particular principal amount of the Securities (each, an "**Accountholder**") (in which regard any certificate or other document issued by Euroclear or Clearstream as to the principal amount of such Securities standing to the account of any person shall, in the absence of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of such principal amount of such Securities for all purposes (including but not limited to, for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Securityholders) other than with respect to the payment of principal and interest on such principal amount of such Securities, the right to which shall be vested, as against the Issuer and the Trustee, solely in the bearer of the relevant Global Security in accordance with and subject to its terms and the terms of the relevant Trust Deed. Each Accountholder must look solely to Euroclear or Clearstream, as the case may be, for its share of each payment made to the bearer of the relevant Global Security.

Prescription

Claims against the Issuer in respect of principal and interest on the Securities represented by a Global Security will be prescribed after ten years (in the case of principal) and five years (in the case of interest) from the Relevant Date (as defined in the relevant Terms and Conditions of the Securities), subject to the provisions of Condition 9 of the relevant Terms and Conditions of the Securities.

Cancellation

Cancellation of any Security represented by a Global Security and required by the relevant Terms and Conditions of the Securities to be cancelled following its redemption or purchase will be effected by endorsement by or on behalf of the Principal Paying Agent of the reduction in the principal amount of the relevant Global Security on the relevant part of the schedule thereto.

Euroclear and Clearstream

References in the Global Securities and this summary to Euroclear and/or Clearstream shall be deemed to include references to any other clearing system approved by the Trustee.

Because the Securities are held by or on behalf of Euroclear and Clearstream, investors will have to rely on their procedures for transfer, payments and communication with the Issuer

The Securities will be represented by the Global Securities except in certain limited circumstances described in each Permanent Global Security. The Global Securities will be deposited with a common depositary for Euroclear and Clearstream. Except in certain limited circumstances described in each Permanent Global Security, investors will not be entitled to receive definitive Securities. Euroclear and Clearstream will maintain records of the beneficial interests in the Global Securities. While the Securities are represented by the Global Securities, investors will be able to trade their beneficial interests only through Euroclear and Clearstream.

The Issuer will discharge their payment obligations under the Securities by making payments to or to the order of the common depositary for Euroclear and Clearstream for distribution to their account holders. A holder of a beneficial interest in a Global Security must rely on the procedures of Euroclear and Clearstream to receive payments under the Securities. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Securities.

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

Minimum denominations

As the Securities have a denomination consisting of the minimum denomination of €100,000 plus a higher integral multiple of amounts which are integral multiples of €1,000, up to a maximum of €199,000, it is possible that the Securities may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €1,000 (or its equivalent). In such case a Securityholder who, as a result of trading such amounts, holds a principal amount of less than the minimum denomination may not receive a definitive Security in respect of such holding (should definitive Securities be printed) and would need to purchase a principal amount of Securities such that its holding amounts to the minimum denomination.

CERTAIN TAX CONSIDERATIONS

The statements herein regarding taxation are based on the laws and/or interpretations in force as of the date of this Offering Circular. The Issuer will not update this summary to reflect changes and/or interpretations. 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 Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of Securities are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Securities.

This summary is based upon the laws and/or practice in force as of the date of this Offering Circular. Tax laws and interpretations may be subject to frequent changes which could be made on a retroactive basis. The Issuer will not update this summary to reflect changes in laws and if such a change occurs the information in this summary could become invalid.

The considerations contained in this Offering Circular in relation to tax issues are made in order to support the marketing of the financial instruments herein described and cannot be considered as a legal or tax advice. Investors should consult their own tax advisors in connection with the tax regime applicable to the purchase, the ownership and the sale of the Securities.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of the Securities and receiving payments of interest, principal and/or other amounts under the Securities, including in particular the effect of any state, regional or local tax laws.

The Republic of Italy

General

Where in this summary English terms and expressions are used to refer to Italian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian concepts under Italian tax law.

Furthermore, the Tax Reform to be enacted pursuant to Law 111/2023 may significantly change the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with certainty at this stage. The information provided herein may not reflect the future tax landscape accurately. See also "*Risk Factors – Risks relating to taxation and accounting treatment of the Securities*").

Tax Treatment of the Securities

(A) Taxation of interest, premium and other income

Securities qualifying as obbligazioni or titoli similari alle obbligazioni

Decree No. 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 as "**Interest**") from securities falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) within the meaning of Article 44 of Italian

Presidential Decree 22 December 1986, No. 917 ("**Decree No. 917**") issued, *inter alia*, by companies listed on an Italian regulated market.

For this purpose, pursuant to Article 44 of Decree No. 917, debentures similar to bonds are securities that (i) incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value and (ii) do not grant to the relevant holders any right to directly or indirectly participate to the management of the issuer or of the business in relation to which they are issued or to control the same management.

Italian Resident Securityholders

In case of Securities qualifying as bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) held by an Italian resident Securityholder who is beneficial owner of the Securities and is (i) an individual not engaged in an entrepreneurial activity to which the Securities are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution (other than Italian undertakings for collective investment), or (iv) an investor exempt from Italian corporate income taxation (in each case, unless the Securityholder sub (i), (ii) and (iii) has entrusted the management of its financial assets, including the Securities, to an Italian authorised intermediary and opted for the application of the *risparmio gestito* regime provided for by Article 7 of Decree No. 461 – the "Risparmio Gestito" regime – see under "Capital gains tax" below), Interest relating to the Securities, accrued during the relevant holding period, are subject to a final tax, referred to as "*imposta sostitutiva*", levied at the rate of 26 per cent.

In the event that the Securityholders described under (i) or (iii) above are engaged in an entrepreneurial activity to which the Securities are connected, the *imposta sostitutiva* applies as a provisional tax. In such case, Interest relating to the Securities (i) will be subject to the *imposta sostitutiva* on account of income tax due and (ii) will be included in the Securityholder's annual corporate taxable income to be reported in the income tax return. As a consequence, such income will be subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

Subject to certain conditions (including minimum holding period requirement) and limitations, Interest relating to the Securities may be exempt from any income taxation (including from the 26 per cent. *imposta sostitutiva*) if the Securityholders are Italian resident individuals not engaged in entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 and the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Pursuant to Decree No. 239, *imposta sostitutiva* is generally applied by banks, *società di intermediazione mobiliare* (SIMs), fiduciary companies, *società di gestione del risparmio* (SGRs), stockbrokers and other entities identified by decrees of the Ministry of Finance who are (i) resident in Italy or permanent establishments in Italy of non-Italian resident financial intermediaries and (ii) intervene, in any way, in the collection of interest, premium and other income relating to the Securities or in the transfer of the Securities (each an "**Intermediary**").

Where an Italian resident Securityholder is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Securities are effectively connected, and the Securities are timely deposited together with the Coupons with an Intermediary, Interest from the Securities will not be subject to *imposta sostitutiva*, but must be included in the Securityholder's income tax return and are therefore subject to general Italian corporate income tax ("**IRES**"), currently applying at 24 per cent., and, in certain circumstances, depending on the "status" of the Securityholder, also to *imposta regionale sulle attività produttive*, the 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, can be increased by regional laws).

Payments of Interest in respect of the Securities made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998 and Article 14-*bis* of Law No. 86 of 25 January 1994 ("**Real Estate Funds**") should not be subject to *imposta sostitutiva* and do not suffer any other income tax in the hands of the Real Estate Fund, provided that the Securities, together with the relevant Coupons, are timely deposited with an Intermediary. Unitholders are generally subject to a 26 per cent. withholding tax on distributions from the Real Estate Funds. However, in certain circumstances, income of a real estate fund is allocated pro rata to investors and taxed in their hands, even if no distribution is made. Under Article 9 of Legislative Decree No. 44 of 4 March 2014 ("**Decree No. 44**"), the above regime applies also to Interest payments made to closed-ended real estate investment companies (*società di investimento a capitale fisso immobiliari*, or "**Real Estate SICAFs**") which meet the requirements expressly provided by applicable law.

If an Italian resident Securityholder is an open-ended or a closed-ended collective investment fund ("**Fund**") other than a real estate investment fund, a closed-ended investment company (*società di investimento a capitale fisso*, or "**SICAF**") other than a Real Estate SICAF or an open-ended investment company (*società di investimento a capitale variabile*, or "**SICAV**") established in Italy and either (i) the Fund, the SICAF or the SICAV or (ii) their manager is subject to supervision by the competent regulatory authority and the Securities are timely deposited with an authorised Intermediary, Interest accrued during the holding period on the Securities will not be subject to *imposta sostitutiva*. Interest must, however, be included in the management results of the Fund, the SICAF or the SICAV accrued at the end of each tax period. The Fund, the SICAF or the SICAV will not be subject to *imposta sostitutiva*, but a withholding tax of 26 per cent. will be levied, in certain circumstances, on proceeds distributed in favour of unitholders or shareholders by the Fund, the SICAF or the SICAV.

Where an Italian resident Securityholder is a pension fund (subject to the regime provided for by Article 17 of Legislative Decree 5 December 2005, No. 252) (the "**Pension Funds**") and the Securities, together with the relevant Coupons, are timely deposited with an Intermediary, Interest relating to the Securities 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 an *ad hoc* 20 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, Interest relating to the Securities may be excluded from the taxable base of the 20 per cent. substitute tax if the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Where the Securities and the relevant Coupons are not timely deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian intermediary (or permanent establishment in Italy of foreign intermediary) that intervenes in the payment of interest to any Securityholder or, absent such intermediary, directly by the Issuer.

Non-Italian Resident Securityholders

Where a Securityholder is a non-Italian resident, an exemption from the *imposta sostitutiva* applies provided that the non-Italian resident is either (i) a beneficial owner resident, for tax purposes, in a country which allows for a satisfactory exchange of information with Italy as listed in Ministerial Decree of 4 September 1996, as amended by Ministerial Decree of 23 March 2017 and possibly further amended according to Article 11(4)(c) of Decree No. 239 (as amended by Legislative Decree No. 147 of 14 September 2015) ("**White List**"); or (ii) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or (iii) a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) subject to certain exceptions, an "institutional investor" which is resident or established in a White List country, even if it does not possess the status of taxpayer in its own country of residence.

The *imposta sostitutiva* will be applicable at the rate of 26 per cent. or at the reduced or nil rate provided for by the applicable double tax treaty (if any, and in any case subject to compliance with relevant subjective and procedural requirements) to Interest paid to Securityholders who are not eligible for the above-mentioned exemptions.

In order to ensure gross payment, qualifying non-Italian resident Securityholders mentioned above must (i) timely deposit, directly or indirectly, the Securities, together with the relevant Coupons, with an Italian resident bank or SIM or other qualified intermediary or a permanent establishment in Italy of a non-Italian resident bank or SIM or other qualified intermediary or with a non-Italian resident entity or company participating in a centralised securities management system which is in contact, via computer, with the Ministry of Economics and Finance and (ii) timely file with the relevant depository a statement of the Securityholder, which remains valid until withdrawn or revoked, in which the Securityholder declares to meet the requirements 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 the case of foreign Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001. Additional statements may be required for non-Italian resident Securityholders who are institutional investors.

Failure of a non-resident Securityholder to timely comply in due time with the procedures set forth in Decree No. 239 and in the relevant implementation rules will result in the application of *imposta sostitutiva* on Interests payments to a non-resident Securityholder.

Securities qualifying as atypical securities (titoli atipici)

Interest payments relating to Securities that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) are subject to a withholding tax, levied at the rate of 26 per cent..

Where the Securityholder is (i) a non-Italian resident person, (ii) an Italian resident individual not holding the Securities for the purpose of carrying out a business activity, (iii) an Italian resident non-commercial partnership, (iv) an Italian resident non-commercial private or public institution, (v) a Fund, (vi) a real estate investment fund, (vii) a pension fund, (viii) an Italian resident investor exempt from Italian corporate income taxation, such withholding tax is a final withholding tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the withholding tax, on Interest relating to the Securities if the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth under Italian law.

Where the Securityholder is (i) an Italian resident individual carrying out a business activity to which the Securities are effectively connected, (ii) commercial partnership, (iii) an Italian resident corporation or a similar Italian commercial entity (including a permanent establishment in Italy of a foreign entity to which the Securities are effectively connected), (iv) an Italian resident commercial private or public institution, such withholding tax is an advance withholding tax.

In case of non-Italian resident Securityholders, without a permanent establishment in Italy to which the Securities are effectively connected, the above-mentioned withholding tax rate may be reduced (generally to 10 per cent.) or eliminated under certain applicable tax treaties entered into by Italy, if more favourable, subject to timely filing of the required documentation.

(B) Capital Gains Tax

Italian Resident Securityholders

Pursuant to Decree No. 461, where the Italian residents Securityholder is: (i) an individual holding the Securities not in connection with entrepreneurial activity, (ii) a non-commercial partnership (other than a *società in nome collettivo* or *società in accomandita semplice* or similar partnership) or a de facto partnership not carrying out commercial activities or professional associations, (iii) a private or public institution or trust not carrying out mainly or exclusively commercial activities, any capital gain realized from the sale or redemption of the Securities would be subject to a *imposta sostitutiva* (substitute tax), currently levied at 26 per cent.. Under certain conditions and limitations, Securityholders may set off capital gains with their capital losses.

For the purposes of determining the taxable capital gain, any interest, premium and other income on the Securities accrued and unpaid up to the time of the purchase and the sale of the Securities must be deducted from the purchase price and the sale price, respectively.

In respect of the application of *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Italian resident Securityholders under (i) to (iii) above, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss of the same nature, realised by the Italian resident Securityholder pursuant to all sales or redemptions of the Securities carried out during any given tax year. The Securityholders must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss of the same nature, in the annual tax return and pay the *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains of the same nature realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident Securityholders under (i) to (iii) above may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Securities (the "*risparmio amministrato*" regime). Such separate taxation of capital gains is allowed subject to (i) the Securities being deposited with Italian banks, SIMs or certain authorised financial intermediaries (or permanent establishments in Italy of foreign intermediaries) and (ii) an express election for the *risparmio amministrato* regime being timely made in writing by the Securityholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Securities, net of any incurred capital loss of the same nature, 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 Securityholder or using funds provided by the Securityholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Securities results in a capital loss, such loss may be deducted from capital gains of the same nature subsequently realised, within the same securities management relationship, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Securityholder is not required to declare the capital gains in the annual tax return.

Any capital gains on Securities held by Italian resident Securityholder under (i) to (iii) above who have entrusted the management of their financial assets, including the Securities, to an authorised intermediary and have opted for the so-called "*Risparmio Gestito*" regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the *Risparmio Gestito* regime, any decrease in value of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *Risparmio Gestito* regime, the Securityholder is not required to declare the capital gains realised in the annual tax return.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Securities if the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Any gain obtained from the sale or redemption of the Securities would be treated as part of the taxable business income subject to ordinary taxation (and, in certain circumstances, depending on the "status" of the Securityholder, 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 Securities are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Securities are connected.

Any capital gains on Securities held by a Securityholder who is a Fund, a SICAV or a SICAF to which the provisions of Article 9 of Legislative Decree No. 44 of 4 March 2014 apply, is subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Fund, the SICAV or SICAF. However, a withholding tax of 26 per cent. will be levied, in certain circumstances, on proceeds distributed in favour of unitholders or shareholders by the Fund, the SICAF or the SICAV.

Any capital gains on Securities held by a Securityholder who is a Pension Fund will 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. Subject to certain conditions (including minimum holding period requirement) capital gains relating to the Securities may be excluded from the taxable base of the 20 per cent. substitute tax if the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Any capital gains realised by Real Estate Funds and Real Estate SICAFs on the Securities are not taxable at the level of Real Estate Funds or Real Estate SICAFs. Unitholders are generally subject to a 26 per cent. withholding tax on distributions from the Real Estate Funds and Real Estate SICAFs. However, in certain circumstances, income of real estate fund is allocated pro rata to the investors and taxed in their hands, even if no distribution is made.

Non-Italian Resident Securityholders

Capital gains realised by non-Italian-resident Securityholders (without a permanent establishment in Italy to which the Securities are effectively connected) from the sale or redemption of Securities traded on regulated markets in Italy or abroad are not subject to the *imposta sostitutiva*, regardless of whether the Securities are held in Italy. In such a case, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Securityholders who hold the Securities with an Italian authorised financial intermediary and elect to be subject to the *Risparmio Gestito* regime or are subject to the so-called *risparmio amministrato* regime, may be required to produce in due time to the Italian authorised financial intermediary an appropriate self-declaration that they are not resident in Italy for tax purposes.

Capital gains realised by non-Italian resident Securityholders from the sale or redemption of Securities not traded on regulated markets may in certain circumstances be taxable in Italy if the Securities are held in Italy. However, a non-Italian resident holders of Securities without a permanent establishment in Italy to which the Securities are effectively connected are not subject to the *imposta sostitutiva* on capital gains realised upon sale or redemption of the Securities, provided that they are: (i) beneficial owners resident in a White List country; or (ii) an international entity or body set up in accordance with international agreements which have entered into force in Italy; or (iii) a Central Bank or an entity which manages, inter alia, the official reserves of a foreign State; or (iv) an institutional investor which is resident or established in a White List country, even if it does not

possess the status of taxpayer in its own country of residence. In such cases, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Securityholders who hold the Securities with an Italian authorised financial intermediary and elect to be subject to the *Risparmio Gestito* regime or are subject to the so-called *risparmio amministrato* regime may be required to produce in due time to the Italian authorised financial intermediary an appropriate self-declaration stating that they meet the subjective requirements indicated above. Additional statements may be required for non-Italian resident Securityholders who are institutional investors.

Moreover, in any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Securities are connected that may benefit from a double taxation treaty with Italy providing that capital gains realised upon the sale or redemption of Securities are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon the sale or redemption of Securities. In such a case, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Securityholders who hold the Securities with an Italian authorised financial intermediary and elect to be subject to the *Risparmio Gestito* regime or are subject to the so-called *risparmio amministrato* regime may be required to produce in due time to the Italian authorised financial intermediary appropriate documents which include*, inter alia*, a statement from the competent tax authorities of the country of residence.

Inheritance and Gift Taxes

Transfers of any valuable asset (including the Securities) as a result of death or donation are generally taxed as follows:

(a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or gift exceeding, for each beneficiary, €1,000,000;

(b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 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 gift exceeding, for each beneficiary, €100,000; and

(c) 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 gift.

If the transfer is made in favour of persons with severe disabilities, the tax is levied at the rate mentioned above in (a), (b) and (c) on the value exceeding, for each beneficiary, €1,500,000.

The transfer of financial instruments (including the Securities) as a result of death is exempt from inheritance tax when such financial instruments are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Transfer Tax

Contracts relating to the transfer of securities are subject to a €200 registration tax as follows: (i) public deeds and private deeds with notarised signatures are subject to mandatory registration; and (ii) private deeds are subject to registration only in "case of use" (*caso d'uso*), in case of "explicit reference" (*enunciazione*) or in case of voluntary registration (*registrazione volontaria*).

Stamp Duty

Pursuant to Article 13(2-*ter*) of the tariff Part I attached to Presidential Decree No. 642 of 26 October 1972, as amended, supplemented and/or replaced from time to time ("**Decree No. 642**"), a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by a financial intermediary to their clients in respect of any financial product and instrument (including the Securities), which may be deposited with such financial intermediary in Italy. The stamp duty applies at a rate of 0.2 per cent. and it cannot exceed €14,000 for taxpayers which are not individuals. This stamp duty is determined on the basis of the market value or, if no market value figure is available, on the face value or redemption value, or in the case the face or redemption values cannot be determined, on the purchase value of the financial assets (including the Securities) held.

The statement is deemed to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release nor the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable based on the period accounted.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy and Finance on 24 May 2012, the stamp duty applies to any investor who is a client - regardless of the fiscal residence of the investor - (as defined in the regulations issued by the Bank of Italy on 9 February 2011, as subsequently amended, supplemented and restated) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Wealth tax on financial assets deposited abroad

According to the provisions set forth by Law No. 214 of 22 December 2011, as amended, supplemented and/or replaced from time to time, Italian resident individuals, Italian non-commercial private or public institutions and Italian non-commercial partnership (*società semplici* or similar partnerships in accordance with Article 5 Decree No. 917) holding financial products – including the Securities – outside the Republic of Italy are required to pay a wealth tax at the rate of 0.2 per cent. (such rate is increased to 0.4 per cent. if the Securities are held in a country listed in the Italian Ministerial Decree dated 4 May 1999) and it cannot exceed €14,000 for taxpayers which are not individuals. In this case the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree No. 642 does not apply.

The tax is determined in proportion to the period of ownership. This tax is calculated on the market value at the end of the relevant year (or, if earlier, at the end of the holding period) or, in the lack thereof, on the nominal value or redemption value, or in the case the face or redemption values cannot be determined, on the purchase price of any financial product (including the Securities) held abroad.

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 held abroad are excluded from the scope of the wealth tax if they are administered by Italian financial intermediaries pursuant to an administration agreement. In this case, the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree No. 642 does apply.

Tax Monitoring Obligations

Under Law Decree No. 167 of 28 June 1990, as subsequently amended and supplemented, individuals, non-business entities and non-business partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) that are resident in Italy and, during the fiscal year, hold investments abroad or have financial assets abroad (including possibly the Securities) must, in certain circumstances, disclose these investments or financial assets to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax

return), regardless of the value of such assets (save for deposits or bank accounts having an aggregate value not exceeding €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 assets, are the actual economic owners thereof for the purposes of anti-money laundering legislation.

No disclosure requirements exist for investments and financial assets (including the Securities) under management or administration entrusted to Italian resident intermediaries (Italian banks, SIMs, fiduciary companies or other professional intermediaries, indicated in Article 1 of Law Decree No. 167 of 28 June 1990) and for contracts concluded through their intervention, provided that the cash flows and the income derived from such activities and contracts have been subjected to Italian withholding or substitute tax by the such intermediaries.

U.S. Foreign Account Tax Compliance Act ("FATCA")

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold U.S. tax at a rate of 30 per cent. on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including the jurisdiction of the Issuer) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("IGAs"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining "foreign passthru payments" are published in the U.S. Federal Register. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities.

SUBSCRIPTION AND SALE

The Joint Lead Managers have, pursuant to a subscription agreement (the "**Subscription Agreement**") dated the date hereof, each jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe or procure subscribers for (i) the NC 6 Securities at the issue price of 99.350 per cent. of the principal amount of the NC 6 Securities, less certain commissions and (ii) the NC 9 Securities at the issue price of 99.096 per cent. of the principal amount of the NC 9 Securities, less certain commissions.

The Issuer will also reimburse the Joint Lead Managers in respect of certain of their expenses, and has agreed to indemnify the Joint Lead Managers against certain liabilities, incurred in connection with the issue of the Securities. The Subscription Agreement may be terminated in certain circumstances prior to payment to the Issuer.

United States

The Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act. Each Joint Lead Manager represents that it has offered and sold the Securities, and agrees that it will offer and sell the Securities (i) as part of their distribution at any time and (ii) otherwise until 40 days after the commencement of this offering, only in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Securities, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Joint Lead Manager, has represented and agreed in the Subscription Agreement that, at or prior to confirmation of sale of Securities, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Securities from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the Securities Act and may not be offered and sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the commencement of this offering, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S".

Terms used in this paragraph have the meanings given to them by Regulation S.

Each Joint Lead Manager represents that it has not entered and agrees that it will not enter into any contractual arrangement with any distributor (as that term is defined in Regulation S) with respect to the distribution or delivery of the Securities, except with its affiliates or with the prior written consent of the Issuer.

In addition:

1. except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for the purposes of Section 4701 of the Internal Revenue Code of 1986, as amended (the "**Code**")) (the "**TEFRA D Rules**"), each Joint Lead Manager (i) has represented that it has not offered or sold, and agrees that during a 40-day restricted period it will not offer or sell, Securities to a person who is within the United States or its possessions or to a United States person, and (ii) has represented that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Securities that are sold during the restricted period;

2. each Joint Lead Manager has represented that it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged

in selling Securities are aware that such Securities may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;

3. if it is a United States person, each Joint Lead Manager has represented that it is acquiring the Securities for the purposes of resale in connection with their original issue and if it retains Securities for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6) (or any successor rules in substantially the same form that are applicable for the purposes of Section 4701 of the Code); and

4. with respect to each affiliate that acquires from it Securities for the purpose of offering or selling such Securities during the restricted period, each Joint Lead Manager either (i) has repeated and confirmed the representations and agreements contained in paragraphs (1), (2) and (3) on its behalf or (ii) has agreed that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in paragraphs (1), (2) and (3).

Terms used in paragraphs (1), (2), (3) and (4) have the meaning given to them by the Code and regulations thereunder, including the TEFRA D Rules.

The Securities are in bearer form and are subject to certain U.S. tax law requirements. The Securities may not be offered, sold or delivered within the United States or its possessions or to a United States person (as defined in Regulation S under the Securities Act), except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the Code and the regulations promulgated thereunder.

Singapore

Each Joint Lead Manager has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented and agreed that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Republic of Italy

Each of the Joint Lead Managers has represented and agreed that the offering of the Securities has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, no Securities may be offered, sold or delivered, nor may copies of this Offering Circular nor any other document relating to any Securities be distributed in the Republic of Italy, except, in accordance with the Prospectus Regulation and all Italian securities, tax and exchange control and other applicable laws and regulations.

Each of the Joint Lead Managers has represented and agreed that it will not offer, sell or deliver any Security or distribute any copies of this Offering Circular and/or any other document relating to the Securities in the Republic of Italy except:

1. to qualified investors (*investitori qualificati*) as defined pursuant to article 2, letter e) of the Prospectus Regulation and any applicable provision of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Consolidated Financial Act**") and Italian CONSOB regulations; or

2. in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**Regulation No. 11971**") and the applicable Italian laws.

Any offer, sale or delivery of the Securities or distribution of copies of this Offering Circular or any other document relating to the Securities in the Republic of Italy under paragraphs 1. or 2. above must be:

1. made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Consolidated Financial Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time), Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**") and any other applicable laws or regulation;

2. in compliance with Article 129 of the Banking Act, and the implementing guidelines of the Bank of Italy, as amended from time to time; and

3. in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or the Bank of Italy or other competent authority.

The Issuer and each Joint Lead Managers acknowledge and accept that in no event may the Securities be sold or transferred (at any time after the Issue Date) to persons other than "qualified investors", as referred to under the Prospectus Regulation.

Prohibition of Sales to EEA Retail Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor in the European Economic Area**" means a person who is one (or more) of the following:

   (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

   (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

Prohibition of Sales to UK Retail Investors

Each Joint Lead Managers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Offering Memorandum in relation thereto to any retail investor in the UK.

For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

Other United Kingdom Regulatory Restrictions

Each Joint Lead Manager has represented and agreed that:

1. 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 2000 ("**FSMA**")) received by it in connection with the issue or sale of the Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

2. it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the UK.

General

Save as stated herein, no action has been taken in any jurisdiction that would permit an offer to the public of any of the Securities, or possession or distribution of this Offering Circular or any other offering material, in any country or jurisdiction where action for that purpose is required.

Each Joint Lead Manager has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Securities or has in its possession or distributes this Offering Circular or any other offering material and neither the Issuer nor any of the Joint Lead Managers shall have responsibility therefor.

GENERAL INFORMATION

Authorisation

The offering of the Securities has been duly authorised by resolution of the board of directors of ENEL dated 18 December 2025.

Listing and Admission to Trading

Application has been made to Euronext Dublin for the Securities to be admitted to the Official List and trading on its regulated market. Application may also be made to Borsa Italiana for the Securities to be admitted to listing and trading on the MOT. The total expenses related to the admission of the Securities to trading are expected to amount to approximately €7,940 in the case of Euronext Dublin's regulated market and approximately €1,000 in the case of the MOT, if applicable.

Clearing systems

The Securities are eligible for clearance through Euroclear and Clearstream. The ISIN is XS3271042098 and the Common Code is 327104209 for the NC 6 Securities and the ISIN is XS3271042254 and the Common Code is 327104225 for the NC 9 Securities. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream is Clearstream Banking, Luxembourg, 42 Avenue JF Kennedy, L-1855 Luxembourg.

No significant or material adverse changes

Except as disclosed in the sections entitled "*Risk Factors - The Group is vulnerable to severe slowdown in power demand as a consequence of industrial sector weaknesses with consequential potential downturn in demand for energy*", and "*Risk factors - Risks relating to macro-economic conditions and country risks*" of this Offering Circular, there has been no material adverse change in the prospects of the Issuer or the ENEL Group since 31 December 2024 and there has been no significant change in the financial performance or financial position of the Issuer or the ENEL Group since 30 September 2025.

Litigation

Except as set out under the paragraph "*Description of ENEL – Litigation*" on pages 155 - 156 of the EMTN Base Prospectus and in the documents incorporated by reference herein, none of the Issuer nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings, including any such proceedings which are pending of which the Issuer or any of its subsidiaries is aware, in the 12 months preceding the date of this Offering Circular which may have or have had in the recent past significant effects on the financial position or profitability of the Issuer or the Group taken as a whole.

Websites

The website of the Issuer is *www.enel.com*. The information on *www.enel.com* does not form part of this Offering Circular, except where that information has been incorporated by reference into this Offering Circular. The content of the ENEL website has not been scrutinised or approved by the competent authority.

Any information contained in any other website specified in this Offering Circular does not form part of this Offering Circular, except where that information has been incorporated by reference into this Offering Circular.

Listing Agent

Walkers Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Securities and is not itself seeking admission of the Securities to the Official List or to trading on the Market for the purposes of the Prospectus Regulation.

Independent auditors

The ENEL's current independent auditors are KPMG S.p.A. ("**KPMG**"), pursuant to the resolutions of the shareholders' meeting of ENEL held on 16 May 2019, which appointed KPMG to audit the financial statements from 2020 to 2028.

The consolidated financial statements of ENEL as at 31 December 2023 and for the year then ended, incorporated by reference herein, have been audited by KPMG that issued an unqualified audit opinion.

The consolidated financial statements of ENEL as at 31 December 2024 and for the year then ended, incorporated by reference herein, have been audited by KPMG that issued an unqualified audit opinion.

The unaudited condensed interim consolidated financial statements of ENEL as at and for the six months ended 30 June 2025, incorporated by reference herein, have been subject to limited review by KPMG.

With respect to the unaudited condensed interim consolidated financial statements of ENEL as at and for the six months ended 30 June 2025, incorporated by reference herein, KPMG Italy has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report incorporated by reference herein state that they did not audit and they do not express an opinion on those unaudited condensed interim consolidated financial statements. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

KPMG is registered in the Register of Independent Auditors held by the Ministry of Economy and Finance pursuant to Legislative Decree No. 39 of 27 January 2010 and the relevant implementing regulations and is also a member of ASSIREVI (*Associazione Nazionale Revisori Contabili*), the Italian association of auditing firms. The registered office of KPMG is at Via Vittor Pisani, 25, 20124, Milan, Italy.

Documents available

So long as Securities are outstanding, copies of the following documents will, when published, be available for inspection on the website of ENEL at the following links:

(i) the articles of association/by-laws (with an English translation thereof) of the Issuer:

https://www.enel.com/content/dam/enel-com/documenti/investitori/governance/assemblee-degli-azionisti/bylaws-2025.pdf

(ii) this Offering Circular, the Trust Deeds, the paying agency agreements relating to the NC 6 Securities and the NC 9 Securities, and the forms of the Global Securities and the Securities in definitive form:

https://www.enel.com/investors/investing/hybrid-bonds/offering-documents

(iii) the Audited Consolidated Financial Statements and the most recently published unaudited interim financial statements and audited annual financial statements of the Issuer (with an English translation thereof), in each case, together with any audit or review reports prepared in connection therewith:

https://www.enel.com/investors/financials

The Issuer currently prepares unaudited consolidated interim accounts on a quarterly basis.

Additionally, for so long as Securities are outstanding, a copy of the Offering Circular will be available for collection, without charge, from the registered office of the Issuer and for inspection by appointment from the specified office of the Paying Agent for the time being in London or at the Paying Agent's option may be provided by email to such holder requesting copies of such document, subject to the Paying Agent being supplied by the Issuer with copies of such documents.

Post-issuance information

The Issuer does not intend to provide any post-issuance information in relation to the Securities.

Potential Conflicts of Interest

In connection with the offering, the Joint Lead Managers may purchase and sell the Securities in the open market. These transactions may include short sales, stabilising transactions and purchases to cover positions created by short sales. Short sales involve the sale by the Joint Lead Managers of a greater number of Securities than they are required to purchase in the offering. Stabilising transactions consist of certain sales or purchases made for the purpose of preventing or retarding a decline in the market price of the Securities while the offering is in progress.

These activities by the Joint Lead Managers, as well as other purchases by the Joint Lead Managers for their own accounts, may stabilise, maintain or otherwise affect the market price of the Securities. As a result, the price of the Securities may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Joint Lead Managers at any time. These transactions may be effected in the over-the-counter market or otherwise.

The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, lending, commercial and investment banking, issuance of financial instruments linked to the Issuer's shares, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Joint Lead Managers and their respective affiliates have provided, and may in the future provide, a variety of these services to the Issuer and to persons and entities with relationships with the Issuer, for which they received or will receive customary fees and expenses. Moreover, certain of the Joint Lead Managers have issued financial instruments linked to the Issuer.

In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/ or instruments of the Issuer's affiliates.

Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer, some of which may have granted significant financing to the Issuer and its subsidiary companies, routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Securities. Any such positions could adversely affect future trading prices of Securities.

The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or

recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the purpose of this paragraph the term "affiliates" also includes parent companies.

The Joint Lead Managers will also receive commissions from the Issuer in connection with the subscription and sale of the Securities, as referred to in the previous section of this Offering Circular entitled "*Subscription and Sale*".

Yield

The yield on the NC 6 Securities from (and including) the Issue Date to (but excluding) the NC 6 Securities First Reset Date will be 4.250 per cent. per annum. The yield on the NC 9 Securities from (and including) the Issue Date to (but excluding) the NC 9 Securities First Reset Date will be 4.625 per cent. per annum. In both of the above case, the yield is calculated at the Issue Date on the basis of the issue price. It is not an indication of future yield.

Legal Entity Identifier

The Legal Entity Identifier code of the Issuer is WOCMU6HCI0OJWNPRZS33.

Legend Concerning US Persons

The Securities and any Coupons and Talons appertaining thereto will bear a legend to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

Foreign languages used in this Offering Circular

The language of this Offering Circular is English. Certain legislative references and technical terms have been cited in their original language so that the correct technical meaning may be ascribed to them under applicable law.

THE ISSUER

ENEL – Società per Azioni
Viale Regina Margherita 137
00198 Rome
Italy

JOINT LEAD MANAGERS FOR THE SECURITIES

Banco Bilbao Vizcaya Argentaria, S.A.
Ciudad BBVA
Asia Building
1st floor – C/Sauceda, 28
28050 Madrid
Spain

BNP PARIBAS
16, boulevard des Italiens
75009 Paris
France

Citigroup Global Markets Europe AG
Börsenplatz 9
60313 Frankfurt am Main
Germany

Crédit Agricole Corporate and Investment Bank
12, Place des Etats-Unis
CS 70052
92547 MONTROUGE CEDEX
France

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Germany

Goldman Sachs International
Plumtree Court
25 Shoe Lane
London EC4A 4AU
United Kingdom

HSBC Continental Europe
38, avenue Kléber
75116 Paris
France

Intesa Sanpaolo S.p.A.
Divisione IMI Corporate & Investment Banking
Via Manzoni 4
20121 Milan
Italy

J.P. Morgan SE
Taunustor 1 (TaunusTurm)
60310 Frankfurt am Main
Germany

Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

MUFG Securities (Europe) N.V.
World Trade Center, Tower Two, 5th Floor
Strawinskylaan 1887
1077 XX Amsterdam
The Netherlands

Société Générale
29, boulevard Haussmann
75009 Paris
France

UniCredit Bank GmbH
Arabellastraβe 12
81925 Munich
Germany

PRINCIPAL PAYING AGENT AND AGENT BANK

The Bank of New York Mellon, London Branch
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

TRUSTEE

BNY Mellon Corporate Trustee Services Limited
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

LISTING AGENT

Walkers Listing Services Limited
5th Floor, The Exchange
George's Dock, IFSC
Dublin 1
D01 W3P9
Ireland

LEGAL ADVISERS

To ENEL –Società per Azioni as to English and Italian law

Gianni & Origoni

The Gherkin
30th Floor, 30 St Mary Axe
London EC3A 8BF
United Kingdom

Piazza Belgioioso 2
20121 Milan
Italy

Via delle Quattro Fontane, 20
00184 Rome
Italy

English law and Italian law counsel to the Joint Lead Managers

Hogan Lovells Società tra Avvocati S.r.l.
Via Santa Maria alla Porta 2
20123 Milan
Italy

To the Trustee as to English Law

Hogan Lovells International LLP
Atlantic House
Holborn Viaduct
London EC1A 2FG
United kingdom

INDEPENDENT AUDITOR

KPMG S.p.A.
Via Vittor Pisani 25
20124 Milan
Italy