

BASE PROSPECTUS



TIM S.p.A.

(incorporated with limited liability under the laws of the Republic of Italy)

€10,000,000,000

Euro Medium Term Note Programme

Under this €10,000,000,000 Euro Medium Term Note Programme (the **Programme**), TIM S.p.A. (the **Issuer** or **TIM**) may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €10,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and, together, the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see “Risk Factors”.

This Base Prospectus has been approved as a base prospectus by the *Commission de Surveillance du Secteur Financier* (the **CSSF**), as competent authority under Regulation (EU) 2017/1129, as amended (the **Prospectus Regulation**) and the Luxembourg act relating to prospectuses for securities dated 16 July 2019, as amended (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en oeuvre du règlement (UE) 2017/1129*). The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

By approving this Base Prospectus, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer. The CSSF is requested to provide the competent authority in the Republic of Italy, the *Commissione Nazionale per le Società e la Borsa* (**CONSOB**), with a certificate of such approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation (the **Notification**). The Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification. Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange’s regulated market and to be listed on the official list of the Luxembourg Stock Exchange. Application may also be made for the Notes to be admitted to listing on Borsa Italiana S.p.A.’s (**Borsa Italiana**) regulated *Mercato Telematico delle Obbligazioni market* (**MOT**), as sole listing venue or in addition to any other listing venue for the Notes.

References in this Base Prospectus to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the Luxembourg Stock Exchange’s regulated market and have been admitted to the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange’s regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU), as amended (the **MiFID II**).

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid until 28 March 2026, which corresponds to a period of 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the EEA) and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in a final terms document (the **Final Terms**) which will be filed with the CSSF. Copies of Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange (www.luxse.com). Copies of the Final Terms in relation to Notes to be listed on the MOT will be published on the website of Borsa Italiana (www.borsaitaliana.it).

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes.

Subject to and as set out in “*Terms and Conditions of the Notes — Taxation*”, TIM shall not be liable to pay any additional amounts to holders of the Notes 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 or supplemented from time to time), where the Notes are held by a Noteholder resident for tax purposes in a country which does not allow for a satisfactory exchange of information with Italy and otherwise in the circumstances described in “*Terms and Conditions of the Notes — Taxation*”.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) and are subject to U.S. tax law requirements. The Notes may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Issuer has been rated Ba3 (positive outlook) by Moody’s Italia S.r.l. (**Moody’s**), BB (stable outlook) by S&P Global Ratings Europe Limited (**S&P**) and BB (stable outlook) by Fitch Ratings Ireland Limited (**Fitch**). Each of Moody’s, S&P and/or Fitch is established in the European Union (the **EU**).

and is registered under the Regulation (EC) 1060/2009 on credit rating agencies (as amended) (the **EU 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 (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the EU CRA Regulation. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms. 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. Please also refer to "Credit ratings may not reflect all risks" in the "*Risk Factors*" section of this Base Prospectus. Whether or not each credit rating applied for in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the EU and registered under the EU CRA Regulation, or by a credit rating agency established in the United Kingdom (the **UK**) and registered under Regulation (EC) No 1060/2009 as it forms part of UK domestic law (the **UK CRA Regulation** and, together with the EU CRA Regulation, the relevant **CRA Regulation**) will be disclosed in the relevant Final Terms.

Amounts payable on Floating Rate Notes will be calculated by reference to (i) the Euro Interbank Offered Rate (**EURIBOR**) or (ii) the secured overnight financing rate (**SOFR**), as specified in the relevant Final Terms. As at the date of this Base Prospectus, the European Money Market Institute (as administrator of EURIBOR) is included in the European Securities and Markets Authority's (**ESMA**) register of administrators under Article 36 of the Regulation (EU) No. 2016/1011, as amended (the **EU Benchmarks Regulation**). Furthermore, as far as the Issuer is aware, the administrators of SOFR (the Federal Reserve Bank of New York), are not required to be registered by virtue of Article 2 of the EU Benchmark Regulation (or of the EU Benchmark Regulation as it forms part of UK domestic law by virtue of the EUWA (the **UK Benchmark Regulation**), as the case may be).

Arrangers

BNP PARIBAS

J.P. MORGAN

Dealers

BANCO SANTANDER, S.A.

CITIGROUP

DEUTSCHE BANK

IMI - INTESA SANPAOLO

MEDIOBANCA

SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

BNP PARIBAS

CRÉDIT AGRICOLE CIB

GOLDMAN SACHS INTERNATIONAL

J.P. MORGAN

MUFG SECURITIES (EUROPE) N.V.

UNICREDIT

The date of this Base Prospectus is 28 March 2025.

IMPORTANT INFORMATION

This Base Prospectus comprises a base prospectus for the purposes of Article 8(1) of the Prospectus Regulation. *Prospectus Regulation* means Regulation (EU) 2017/1129, as amended and supplemented from time to time.

The Issuer accepts responsibility for the information contained in this Base Prospectus, any supplement thereto, and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus is to be read in conjunction with all information which is deemed to be incorporated in it by reference (see “*Documents Incorporated by Reference*” below). This Base Prospectus shall be read and construed on the basis that such information is so incorporated and forms part of this Base Prospectus.

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

Save for the Issuer, no other party has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer or the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or any responsibility for any acts or omissions of the Issuer or any other person in connection with any issue and offering of the Notes under the Programme.

No person is or has been authorised by any of the Issuer or the Trustee to give any information or to make any representation not contained in or consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuer any of the Dealers or the Trustee.

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

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is

correct as at any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Base Prospectus when deciding whether or not to purchase any Notes.

IMPORTANT - EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of 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; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the PRIIPs Regulation) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (UK). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (EUWA); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the UK PRIIPs Regulation) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the MiFID Product Governance Rules), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

UK MiFIR product governance / target market – The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR product governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the UK MiFIR Product Governance Rules) is

responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B(1)(c) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE – With respect to each issuance of Notes, the Issuer may make a determination about the classification of such Notes (or beneficial interests therein) for purposes of Section 309B(1)(a) of the Securities and Futures Act 2001 of Singapore (as amended or modified from time to time, the SFA). The Final Terms in respect of any Notes may include a legend titled "Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore" that will state the product classification of the applicable Notes (and, if applicable, beneficial interests therein) pursuant to Section 309B(1) of the SFA; *however*, unless otherwise stated in the applicable Final Terms, all Notes (or beneficial interests therein) shall be "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). This notification or any such legend included in the applicable Final Terms will constitute notice to "relevant persons" for purposes of Section 309B(1)(c) of the SFA.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF NOTES GENERALLY

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuer, the Dealers and the Trustee represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Issuer, the Dealers or the Trustee which would permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the United Kingdom, Italy, France, Belgium, Japan, Singapore, Switzerland and the EEA. See “*Subscription and Sale*”.

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

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

Unless otherwise indicated, the financial information in this Base Prospectus relating to the Issuer has been derived from the audited consolidated financial statements for the financial years ended 31 December 2023 and 31 December 2024 (together, the **Financial Statements**) of TIM and its consolidated subsidiaries (the **TIM Group**).

The Issuer' financial year ends on 31 December, and references in this Base Prospectus to any specific year are to the twelve-month period ended on 31 December of such year. The Financial Statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the EU (IFRS).

Certain Defined Terms and Conventions

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

In addition, the following terms as used in this Base Prospectus have the meanings defined below:

All references in this Base Prospectus document to *euro*, *Euro*, *EUR* and *€* refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended. *Sterling* and *£* refer to pounds sterling and all references to *U.S. dollars*, *U.S.\$* and *\$* refer to United States dollars.

References to the “TIM Group” refer to TIM and its consolidated subsidiaries as they exist at the date of this Base Prospectus.

References to a **billion** are to a thousand million.

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

SUITABILITY OF INVESTMENT

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

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

FORWARD-LOOKING STATEMENTS

This Base Prospectus may contain forward-looking statements, including (without limitation) statements identified by the use of terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “future”, “help”, “intend”, “may”, “plan”, “project”, “shall”, “should”, “will”, “would” or the negative or other variations thereof as well as other statements regarding matters that are not historical fact. In addition, this Base Prospectus includes forward-looking statements relating to the TIM Group's potential exposure to various types of market risks. These statements are based on the Issuer's current expectations and projections about future events and involve substantial uncertainties. All statements, other than statements of historical facts, contained herein regarding the Issuer'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. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future, the majority of which are beyond the Group's control.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. Prospective investors are cautioned not to place undue reliance on these forward-looking statements. Future events or actual results could differ materially from those set forth in, contemplated by or underlying forward-looking statements. In addition, all subsequent written or oral forward-looking statements attributable to the Issuer or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Base Prospectus including any document incorporated by reference herein. The Issuer does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events

or otherwise. As a result of these risks, uncertainties and assumptions, investors should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise.

INDUSTRY AND MARKET DATA AND THIRD PARTIES INFORMATION

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Issuer and the TIM Group's business contained in this Base Prospectus consists of estimates based on data reports compiled by professional organisations and analysts, on data from other external sources, and on the Issuer's knowledge of its sales and markets. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Issuer to rely on internally developed estimates. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by this information. While the Issuer has compiled, extracted and, to the best of its knowledge, correctly reproduced market or other industry data or any other information from external sources, including third parties or industry or general publications, neither the Issuer nor the Dealers have independently verified that data. The Issuer cannot assure investors of the accuracy and completeness of, and takes no responsibility for, such data other than the responsibility for the correct and accurate reproduction thereof. The information in this Base Prospectus has been accurately reproduced and no facts have been omitted that would render the reproduced information inaccurate or misleading. However, information regarding the sectors and markets in which the TIM Group operates may not be available for certain periods and, accordingly, such information may not be current as of the date of this Base Prospectus. All sources of such information have been identified where such information is used. Similarly, while the Issuer believes such information to be reliable and believes its internal estimates to be reasonable and confirms all information to be up to date on the date of approval of this Base Prospectus, it has not been verified by any independent sources. Undue reliance should therefore not be placed on such information. See also "*Forward-Looking Statements*", above.

STABILISATION

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

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OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, a new Base Prospectus or a supplement to the Base Prospectus, if appropriate, will be published.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980, as amended (the **Delegated Regulation**).

Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this overview.

Issuer:	TELECOM ITALIA S.p.A. named also “TIM S.p.A.” TIM was incorporated as a joint stock company under the laws of Italy on 20 October 1908, and its duration is until 31 December 2100. TIM’s registered office is Via Gaetano Negri 1, 20123 Milan, Italy.
Issuer Legal Entity Identifier (LEI):	TIM: 549300W384M3RI3VXU42
Risk Factors:	There are certain risk factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and risks relating to the structure of a particular Series of Notes issued under the Programme. All of these are set out under “ <i>Risk Factors</i> ”.
Description:	Euro Medium Term Note Programme
Arrangers:	BNP PARIBAS and J.P. Morgan SE
Dealers:	Banco Santander, S.A. BNP PARIBAS Citigroup Global Markets Europe AG Crédit Agricole Corporate and Investment Bank Deutsche Bank Aktiengesellschaft Goldman Sachs International Intesa Sanpaolo S.p.A. J.P. Morgan SE Mediobanca – Banca di Credito Finanziario S.p.A.

MUFG Securities (Europe) N.V.

Société Générale

UniCredit Bank GmbH

and any other Dealers appointed in accordance with the Programme Agreement.

Certain Restrictions:

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “*Subscription and Sale*”) including the following restrictions applicable at the date of this Base Prospectus.

Notes having a maturity of less than one year

Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent. See “*Subscription and Sale*”.

Issuing and Principal Paying Agent: Deutsche Bank AG, London Branch

Trustee: Deutsche Trustee Company Limited

Programme Size: Up to €10,000,000,000 (or its equivalent in other currencies) calculated as described in the Programme Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

Distribution: Notes may be distributed by way of private or public placement and, in each case, on a syndicated or non-syndicated basis.

Currencies: Subject to any applicable legal or regulatory restrictions, any currency agreed between the Issuer and the relevant Dealer, as specified in the applicable Final Terms.

Maturities: The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.

Issue Price:	Notes may be issued as specified in the applicable Final Terms and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer form as described in “ <i>Form of the Notes</i> ”.
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined on the basis of the reference rate set out in the applicable Final Terms.</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.</p> <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes.</p> <p>Floating Rate Notes may also have a Maximum Rate of Interest, a Minimum Rate of Interest or both.</p>
Zero Coupon Notes:	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.
Benchmark discontinuation:	If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5.3(b) (<i>Successor Rate or Alternative Rate</i>)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5.3(c) (<i>Adjustment Spread</i>)) and any Benchmark Amendments (in accordance with Condition 5.3(d) (<i>Benchmark Amendments</i>)).
Redemption:	The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving

notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution. See “*Certain Restrictions — Notes having a maturity of less than one year*” above.

Issuer Maturity Par Call and Clean – Up Call: The applicable Final Terms will indicate whether the Issuer has an Issuer Maturity Par Call or Clean-Up Call. See Condition 7.4 (*Redemption at the option of the Issuer (Issuer Maturity Par Call)*) and Condition 7.5 (*Redemption at the option of the Issuer (Clean-Up Call)*).

Investor Put and Change of Control Put: The applicable Final Terms may provide that, upon the occurrence of a Put Event or a Change of Control Put, Notes will be redeemable at the option of the Noteholders upon giving notice to the Issuer on a date or dates specified prior to their stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer and specified in the applicable Final Terms.

See Condition 7.6 (*Redemption at the option of the Noteholders (Investor Put)*) and Condition 7.7 (*Redemption at the option of the Noteholders (Change of Control Put)*).

Denomination of Notes: Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amounts in such currency). See “*Certain Restrictions — Notes having a maturity of less than one year*” above.

Taxation: All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Relevant Jurisdiction, subject as provided in Condition 8. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted.

Restrictions on Security Interests: The terms of the Notes will contain a provision restricting the ability of the Issuer to create security interests in respect of certain of their capital markets indebtedness, as further described in Condition 3.

Cross Default: The terms of the Notes will contain a cross-default provision as further described in Condition 10.

Status of the Notes: The Notes will constitute unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save as aforesaid and for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

Rating: Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms. Where a Series of Notes is rated, it will be rated by Moody's Italia S.r.l. (**Moody's**), S&P Global Ratings Europe Limited (**S&P**) and/or Fitch Ratings Ireland Limited (**Fitch**). Moody's, S&P and Fitch are established in the EU and registered under the EU 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. Whether or not each credit rating applied for in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the EU or the UK and registered under the EU CRA Regulation or the UK CRA Regulation, as the case may be, will be disclosed in the relevant Final Terms.

Approval, listing and admission to trading: Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange. Application may also be made for the Notes to be admitted to listing on the MOT organised and managed by Borsa Italiana (as sole listing venue or in addition to any other listing venue for the Notes).

Notes may also be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer in relation to each Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchange(s) and/or markets.

Governing Law:	The Notes, the Coupons and the Trust Deed and any non-contractual obligation arising out of or in connection with them, will be governed by, and construed in accordance with, English law, save for the provisions contained in (i) Condition 15 of " <i>Terms and Conditions of the Notes</i> " and (ii) the Trust Deed concerning the meeting of Noteholders and the appointment of the <i>rappresentante comune</i> are subject to compliance with Italian law.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA, the United Kingdom, Italy, France, Belgium, Singapore, Switzerland and Japan, and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See " <i>Subscription and Sale</i> ".
United States Selling Restrictions:	Regulation S, Category 2. TEFRA C Rules/TEFRA D Rules/TEFRA not applicable, as specified in the applicable Final Terms.

RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due. The Issuer may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside of the Issuer's control. The Issuer has identified in this Base Prospectus a number of factors which could materially adversely affect their businesses and ability to make payments due.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are described below.

Prospective investors should read the detailed information set out below and reach their own views prior to making any investment decision.

Words and expressions defined in "Terms and Conditions of the Notes" or elsewhere in this Base Prospectus have the same meaning in this section.

FACTORS WHICH MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES ISSUED UNDER THE PROGRAMME

1. Risks related to the business activity and industry of the Issuer

Following the successful completion of the NetCo Transactions, there can be no assurance that the TIM Group will be able to deliver any or all of the related expected benefits of the NetCo Transactions from a business perspective.

In November 2023, the Board of Directors of TIM examined and then accepted the binding offer submitted on 16 October 2023 by KKR for the purchase of TIM's fixed network assets and the shareholdings held in FiberCop S.p.A. (**FiberCop**) and Telenergia S.r.l. (**Telenergia** and, together with FiberCop, **NetCo**), by Optics BidCo (a subsidiary of KKR). In execution of the resolutions adopted, TIM therefore signed the Transaction Agreement with Optics BidCo that governed the NetCo Transactions.

The Transaction Agreement provided that on the closing date, the Master Services Agreements would be signed governing the terms and conditions of the services to be performed between NetCo and TIM S.p.A. following the completion of the Transaction (See the section "*Description of the Issuer — Disposal of NetCo*").

Following the successful completion of the NetCo Transactions on the Acquisition Closing Date, the TIM Group expects, among other things, to be able to implement a strategic flexibility, compete on a level playing field among its peers and further benefit from organic and inorganic growth. However, the TIM Group may be unable to realise or capitalise on the anticipated benefits it expects to achieve from the successful completion of the NetCo Transactions. Failure to achieve or capitalise on such benefits could adversely affect its business, results of operations and financial condition. See the section "*Description of the Issuer — Strategy.*"

The TIM Group operates in a heavily regulated industry and regulatory decisions or changes in the regulatory environment, as well as failure to comply with such regulatory framework, could adversely affect its business.

The TIM Group's fixed and mobile telecommunications operations, in Italy and abroad, are subject to extensive, costly and evolving regulatory regimes. Changes in such laws and regulations, or failure by the TIM Group to comply with such laws and regulations could materially and adversely affect the TIM Group's business, financial condition, results of operations, reputation and prospects. As a member of the EU, Italy has adapted its regulatory legislation and rules for electronic communications services to the framework established by the EU Parliament and Council. Non-compliance with laws and regulations may lead to judicial or administrative sanctions, financial losses or reputational damage.

The TIM Group aims to ensure process compliance, which includes the procedures and information systems that regulate them, as well as corporate behaviours aligning with regulatory standards. The risk relates to potential delays required to achieve compliance with evolving regulations or in cases where non-compliance is detected, and it is monitored via the internal control system specifically designed for this purpose.

The TIM Group faces disputes and litigation with tax and government authorities, regulatory bodies, antitrust authorities, other TLC operators, and other parties. The possible impacts of these proceedings are generally uncertain. These issues, whether individually or collectively, could, if unfavourable to the TIM Group, have a significant negative effect on operating results, financial position and cash flows.

Within this regulatory framework, the main risks the TIM Group faces include:

- the lack of predictability concerning both the timing of the regulatory proceedings and their final outcome, which depends on both AGCOM and the Italian Antitrust Authority's (*Autorità Garante della Concorrenza e del Mercato*) (AGCM) decisions;
- possible AGCOM decisions that apply retroactively and their potential impact on the TIM Group's business, results of operations and the guidance presented to the market (*e.g.*, review of prices from prior years following the decisions of administrative courts, repricing decisions, proceedings that impact technological decisions and return on investment);
- any AGCOM decisions that may influence technological choices, potentially impacting the payback period of infrastructure investments; and
- any AGCM decisions that may limit TIM's competitive position.

Regulation is a key factor in evaluating the likelihood of return on investments and therefore in deciding where to invest. Regulatory uncertainty and regulatory changes imposed on the TIM Group can impact its revenues and can make it more difficult to make important investment decisions.

Moreover, disputes arising from operators challenging AGCOM decisions before administrative courts or disputes with other operators before AGCOM may result in a further degree of uncertainty with respect to rules and economic requirements.

The AGCM and AGCOM, under certain circumstances, may also intervene in the TIM Group's business, setting fines and/or imposing changes in its service provision operating processes and in its offers. In addition,

AGCOM or AGCM decisions may impose constraints on the pricing of fixed and mobile offers based on consumer protection legislation.

The Brazil Business Unit is also subject to extensive regulation. Its international operations, therefore, face similar regulatory issues as the TIM Group faces in Italy, including the possibility for regulators to impose obligations and conditions on how the TIM Group operates its businesses in Brazil as well as taking decisions that can have an adverse effect on its results.

As a result, the decisions of regulators or the implementation of new regulations in Brazil and the costs of its compliance with any such decisions or new regulations, may limit its flexibility in responding to market conditions, competition and changes in its cost base which could individually or in the aggregate, have a material adverse effect on its business and results of operations.

Due to the continuous evolution of the regulatory regime affecting various parts of its business in Italy and in its international operations, the TIM Group is unable to clearly predict the impact of any proposed or potential changes in the regulatory environment in Italy, Brazil and its other international markets. Regulations in the telecommunications industry are constantly changing to adapt to new competition and technology. See “*Description of the Issuer — Overview of the TIM Group’s Major Business Areas*” “—*The TIM Group may be subject to increasing market competition.*” Changes in laws, regulation or government policy could adversely affect the TIM Group’s business and competitiveness. In particular, the TIM Group’s ability to compete effectively in its existing or new markets could be adversely affected if regulators decide to expand the restrictions and obligations to which it is subject or extend them to new services and markets. Finally, decisions by regulators regarding the granting, amendment, revocation or renewal of its authorisations and public concessions, or those of third parties, could adversely affect its future operations in Italy and in other countries where the TIM Group operates.

The TIM Group’s business will be adversely affected if the TIM Group is unable to successfully implement its strategic objectives and factors beyond its control may prevent it from successfully implementing its strategy.

In recent years, the telecommunications market has shown a high level of competition, which has resulted in a significant reduction in customer spending, while at the same time requiring an increasing level of investment needed to support network development. In the face of the contraction of the traditional telecommunication core business related to connectivity of voice and data, the TIM Group has progressively evolved its positioning across its markets. Currently, the TIM Group is effectively operating in adjacent markets, with different levels of competition and different investment cycles, using specific commercial approaches and operating models. For more details of the TIM Group’s existing market competition strategy, please see “*Description of the Issuer — Strategy.*”

In 2024, TIM successfully implemented its Delaying Plan, announced in the 2024-2026 Industrial Plan, transitioning to a more streamlined and horizontal structure. This reorganisation resulted in three distinct business areas: (i) TIM Consumer, serving Italian households, individuals, and small and medium-sized enterprises, (ii) TIM Enterprise, dedicated to large Italian corporations and public administration, with the potential for further separation into a standalone entity and (iii) TIM Brasil, focused on the Brazilian market. This transformation enhances market focus and operational efficiency while mitigating regulatory constraints.

For more details on the TIM Group's strategic objectives, please see "*Description of the Issuer — Strategy*."

The TIM Group's ability to implement and achieve its strategic objectives and priorities may be influenced by certain factors, including factors outside of its control. Such factors include:

- an increase in the number of competitors in the telecommunications industry that could reduce the TIM Group's market share;
- the TIM Group's ability to successfully compete on both price and innovation capabilities with respect to new products and services, including competition from mobile virtual network operators (MVNOs), which offer telecommunication services to customers by leasing network capacity from traditional network providers, without their own network infrastructure and global and local OTT providers which offer content and services using the Internet, without their own network infrastructure;
- a deterioration in the macroeconomic conditions affecting (also taking into consideration the impact of the current inflationary environment and energy crisis) the principal markets in which the TIM Group operates, including, in particular, its core Italian market;
- the impact of regulatory decisions and changes in the regulatory environment in Italy, Brazil and other countries in which the TIM Group operates, including the ability of the Italian government to exercise certain powers with respect to strategic transactions under Italian Golden Power Legislation (as defined below, see "*– The Italian Golden Power Authority has exercised, and may in the future exercise, its special powers under the Golden Power Legislation with respect to the TIM Group, including with respect to the TIM Group's ability to enter into strategic transactions*");
- the TIM Group's ability to develop and introduce new technologies that it considers attractive for its principal markets, to manage innovation, to supply value added services and to increase the use of its mobile networks;
- the TIM Group's ability to secure government subsidies and funds;
- the TIM Group's ability to obtain, maintain and renew necessary licences and authorisations in a timely and cost-effective manner;
- controls and system technology failures, which could negatively affect the TIM Group's revenues and reputation;
- the introduction of transformative technologies that could be difficult for the TIM Group to keep pace with and could cause significant revenues decrease;
- the TIM Group's ability to operate efficiently and to refinance the TIM Group's debt as it becomes due, particularly in consideration of political and economic conditions and uncertainties in credit and capital markets;
- the TIM Group's ability to most efficiently scale the TIM Group's structure;
- the TIM Group's ability to attract and retain qualified personnel;
- government policy and changes in the regulatory environment or legal frameworks;
- the TIM Group's ability to successfully implement its Internet and broadband and ultrabroadband strategy (especially with respect to 'fibre to the home (FTTH)' in Brazil);
- the TIM Group's ability to successfully achieve its financial targets (including debt reduction);
- physical and/or cyber threats;
- the impact of fluctuations in currency exchange, inflation, interest rates and the performance of the financial markets in general;

- the outcome of litigation, disputes and investigations in which the TIM Group is involved or may become involved, including those potentially arising in connection with the NetCo Transactions;
- large scale adverse events that could cause negative effects, requiring a long recovery period, or even impact the socioeconomic environment permanently, such as natural disasters, political instability, or pandemics;
- the possibility of an increase in taxes by governments in order to balance their financial deficit;
- increasing demand on the TIM Group's system bandwidth to manage the continuous growth of mobile data traffic, which in turn requires further investments in infrastructure or the acquisition of additional spectrum frequencies in order to maintain network quality and prevent turnover, especially in big cities, where the population is highly concentrated and the costs of network expansion are considerably high;
- the TIM Group's ability to build up its business in adjacent markets and in international markets due to its specialist and technical resources;
- the TIM Group's ability to achieve the expected return on the investments and capital expenditures it has made and continues to make in Italy, Brazil and other countries in which it operates;
- the amount and timing of any future impairment charges for the TIM Group's authorisations, goodwill or other assets;
- the TIM Group's ability to manage any business or operating model transformation plans;
- any difficulties which the TIM Group may encounter in its supply and procurement processes, including as a result of the insolvency or financial weaknesses of its suppliers;
- non-recurring events and transactions; and
- the costs the TIM Group incurs due to unexpected events, in particular where its insurance is not sufficient to cover such costs.

The factors outlined above, individually or in the aggregate, could materially adversely impact the TIM Group's business, financial condition and results of operations. Accordingly, there can be no assurance that the business and strategic objectives identified by the TIM Group's management can effectively be attained in the manner and within the timeframes described. Furthermore, if the TIM Group is unable to attain its strategic priorities, or if a further deterioration in the macroeconomic and geopolitical environment exacerbates financial market conditions in the form of higher rates or wider credit spreads, and if the TIM Group is unable to sufficiently pass on any associated costs to its customers, its goodwill may be further impaired, which could result in significant write-offs.

The NetCo Transaction could cause the TIM Group to incur unexpected uncertainties and costs.

As a consequence of the NetCo Transactions, the TIM Group starting from 1 July 2024 provides or procures certain transitional services to FiberCop and FiberCop provides or procures certain transitional services to the TIM Group for a period of time sufficient to facilitate the transition to separate operations. Additionally, the TIM Group has maintained access to FiberCop's infrastructure through the Master Services Agreement. In light of these agreements, and based on their consequent contractual structures, the TIM Group could be subject to, among other things, (i) unexpected additional costs or adverse impacts on its business functions as a result of non-performance and/or underperformance by FiberCop of its obligations under such agreements and/or (ii) potential liabilities during the period of the Master Services Agreement and the Transitional Services

Agreement if it fails to deliver certain obligations to FiberCop, each of which could adversely affect its business, financial condition and results of operations (see the section “*Description of the Issuer — Disposal of NetCo*”).

Following the successful completion of the NetCo Transactions, any deterioration in the relationship with, or in the financial condition of, FiberCop could negatively impact the TIM Group’s business, financial condition and results of operations.

In connection with the NetCo Transactions, the TIM Group has divested its ownership interest in NetCo (see the section “*Description of the Issuer — Disposal of NetCo*”). This divestment transitioned the relationship between FiberCop and the TIM Group into a new phase of commercial engagement. Pursuant to the Transaction Agreement, on the Acquisition Closing Date, the two parties entered into the Master Services Agreement. For further information regarding the Master Services Agreement, please refer to “*Description of the Issuer — Disposal of NetCo*”.

Pursuant to the Master Services Agreement, FiberCop, among other things, provided certain fixed-line wholesale access services to the TIM Group for an initial term of 15 years, with a renewal mechanism for an additional term. During such term, there can be no assurances that disputes will not arise between FiberCop and the TIM Group. In the event of a dispute, any actions FiberCop or the TIM Group could take, including the application of contractual penalties, to resolve the dispute could result in additional costs or lower revenues for the TIM Group. If a technological problem, such as any increase in traffic, a physical or cyber-attack or any other circumstances affecting the operations and reliability of FiberCop’s fixed-line network were to occur, the TIM Group would be unable to offer reliable and seamless fixed-line connectivity to its customers. This could in turn generate customer churn and materially and adversely affect the TIM Group’s business, financial condition and results of operations.

Furthermore, it cannot be ruled out that changes to the language or content of the Master Services Agreement could be made in the future, including as required by applicable law or regulation. Such amendments could affect the future business of the TIM Group and could adversely affect its business, results of operations and financial condition.

Following the successful completion of the NetCo Transactions, the TIM Group acquired from FiberCop certain fixed-line wholesale access services. Therefore, the TIM Group’s future costs and results of operations could be materially affected if FiberCop, for any reason, fails to develop, maintain, repair, upgrade, protect and replace its existing fixed-line network in Italy in order to meet the needs of the TIM Group.

Following completion of the NetCo Transactions, FiberCop has become the exclusive wholesale provider of ‘asymmetrical digital subscriber line’ (ADSL) and ‘fibre to the cabinet’ (FTTC) connectivity, the leading provider of FTTH connectivity in Italy, and the TIM Group’s largest supplier.

As part of the NetCo Transactions, certain personnel, assets, rights, liabilities and agreements relating to the network assets and layering infrastructure held by TIM as a going concern (*ramo d’azienda*) (the **NetCo Business**) to FiberCop. Pursuant to the terms of the Master Services Agreement, following the successful completion of the NetCo Transactions, the TIM Group continued to rely on the direct ownership of its mobile

infrastructure, data centres, backbone and further equipment and infrastructure components that are not included in the FiberCop business, but it acquired fixed-line wholesale access services from FiberCop to maintain its fixed offerings to its retail customers. The Master Services Agreement will be subject to the evaluation of AGCOM and AGCM, and the outcome of any such evaluation may have a beneficial or detrimental impact on the TIM Group.

In the event FiberCop (i) fails to develop, maintain, repair, upgrade, protect and replace its fixed-line network, (ii) experiences a major disruption in its business, such as a strike, work stoppage or slowdown, a supply chain problem or a decrease in orders from other licensed operators (OLOs) or (iii) files for bankruptcy protection, the TIM Group's business, financial condition and results of operations could be materially adversely affected. Therefore, the loss of, or a significant reduction in, services offered by FiberCop, the early termination of the Master Services Agreement, or other material operational or financial difficulties experienced by FiberCop could materially adversely affect the TIM Group's business, financial condition and results of operations.

The TIM Group may be subject to increasing market competition.

Telecommunications operators have generally faced challenging market conditions in recent years, principally as a result of the decline in voice traffic and significant pricing pressures resulting from increased competition among operators.

Strong competition exists in all principal areas of the Italian telecommunications industry in which the TIM Group operates, particularly from OLOs in the consumer segment (as described in "*Description of the Issuer* — "*Competition in the domestic market*"). Competition may become even more acute in the coming years, with additional international operators accessing the Italian market. The Italian telecommunications market continues to have an intense level of competition which generates for the TIM Group risks of a reduction in market share and pressure on prices. In the fixed retail market, for example, the recent launch of Iliad has added an additional risk pressure to an already complex situation. Similarly, the recent acquisition of Vodafone Italia by Swisscom is reshaping the competitive landscape for TIM, particularly within the business segment, due to the competitor's dominance in certain geographical areas and its vertically integrated structure. In addition, potential consolidation between telecommunications operators in the Italian market could increase economies of scale for these telecommunication operators which could, in turn, lead to competitive pricing strategies that could have an impact on TIM Group's services and products.

In Brazil, the TIM Group faces competition throughout Brazil from many providers in the personal communications service (PCS) market. The TIM Group also competes with providers of mobile telecommunication, voice over Internet protocol services (VoIP) and landline telecommunications services, including from providers who bundle voice and data to its customers in a single offer. Due to this increasing competition, the TIM Group may incur higher advertising and commercial costs as it attempts to maintain or expand its market share. Other than the TIM Group, the following main competitors also hold authorisations to provide PCS with national coverage: Claro S.A., under the brand name "*Claro*" and Telefônica Brasil S.A., under the brand name "*Vivo*." Moreover, all PCS providers with national coverage offer third generation, or 3G, and fourth generation, or 4G, fifth generation, or 5G mobile telecommunications network technology, reducing differentiation amongst competitors. With the assets acquired from the Oi Move! S.A. by TIM, Vivo and Claro, the TIM Group believes that the likelihood of further consolidations in the Brazilian

telecommunications market among the main competitors are remote, but if further consolidations driven by main competitors were to occur, those consolidations may enhance their strategic advantage with increased market power and access to greater financial resources, thereby weakening the TIM Group's market position.

The TIM Group also faces increased competition from other services outside the telecommunications industry, such as the energy sector, where operators have expanded their services by offering integrated packages that include fibre connectivity. Added to this is the entry of low-orbit satellite operators, which, in the event of disparate regulatory conditions between satellite and terrestrial operators, could create a risk of unfair competition to the detriment of TIM, posing an additional competitive threat. In addition, while technological changes, such as the development, roll out, and improvement of 4G and 5G mobile networks, may create new revenue streams, it also hinders traditional services and introduces additional sources of competition, for example, with services like 'voice over long-term evolution' (VoLTE) calls, messages and SMSs. These OTT communication apps are often free of charge (i.e. no subscription fee), accessible by smartphones and usually allow their users to have access to potentially unlimited messaging and voice services over the Internet, bypassing traditional and more profitable voice and messaging services. As a result, voice traffic is migrating to data. Offers from almost all competitors have started to include unlimited voice, thereby accelerating commoditisation. Furthermore, very often OTT applications become so important to customers that they are bundled as zero-rated services, or OTT applications for which data usage is free. These and other factors, including the regulatory and tax asymmetry, are responsible for the increase in the competitive pressure the TIM Group is facing in the mobile market. OTT application service providers also leverage existing infrastructures and generally do not operate capital-intensive business models associated with traditional mobile network operators like the TIM Group. Technological developments have led to significant improvements in the services provided by OTT applications, particularly in speech quality delivered by data communications apps, thereby strengthening their positioning and relevance as competitors. In addition, providers with strong brand capability and financial strengths have turned their attention to the provision of OTT application services. In the long term, if non-traditional mobile voice and data services or similar services continue to increase to satisfy customers' needs and if the TIM Group is not able to address this competition, this could contribute to further declines in mobile monthly average revenue per user (MARPU) as well as lower margins across many of the products and services the TIM Group offers, thereby having a material adverse effect on its business, results of operations, financial condition and prospects. See "*Continuing rapid changes in technologies could increase competition, reduce the usage of traditional services and require the TIM Group to make substantial additional investments.*" The OTT service providers hold most of the content, the means to create it and the distribution channels. Together with these resources they dedicate themselves to creating new ways for their customers to interact with and consume content. As a result, it can be challenging for network operators, to design value-added services that are beneficial to customers. In addition to technological hurdles, the TIM Group may face other hurdles to offering value-added services, such as regulatory hurdles. Additionally, the TIM Group expects that the 3.5GHz rights that were acquired by regional providers may provide them with an opportunity to become mobile network operators. In addition, the new neutral network, which is proposed to be offered by Winity Telecom (the winner of the 700 MHz spectrum), may leverage mobile network capacity for Internet service providers, thereby allowing ISPs to extend their offerings to their current broadband customer base with bundle offerings, which may increase their competitive offering in the marketplace.

Given the current macroeconomic environment, the TIM Group is introducing price mechanisms for adjusting its offers to account for increased costs associated with the prevalent inflationary environment in

which it operates in order to reduce the pressure on cash costs. Given the high level of competition in the market, there is the concrete risk that some competitors will not pursue price-based competition, resulting in a reduction in the TIM Group's market share and further pressure on price in the retail market segment in which the TIM Group's core business is expanding to include innovative and convergent services and offers for fixed and mobile telecommunication, as well as television content. This expansion creates new opportunities and risks for the TIM Group, as it faces increased competition from providers of IT as well as OTT and other media platforms and devices. The telecommunications market is also experiencing consolidation and globalisation, which may further intensify competition. See "*—Risks Related to Macroeconomic Conditions Affecting the TIM Group.*"

In addition, competition concerning innovative products and services in the TIM Group's Italian domestic mobile telephony and broadband and ultrabroadband businesses has led, and could further lead to:

- the obsolescence of existing technologies and more rapid deployment of new technologies;
- an increase in costs and payback periods relating to investments in new technologies that are necessary to retain customers and market share; and
- difficulties in reducing debt and funding strategic and technological investments if the TIM Group cannot generate sufficient profits and cash flows.

In the Brazilian market, the competitive risks are represented by the rapid transition of the business model from traditional to more innovative services. Changes in the consumption profile of the customer base (voice-to-data migration) require operators to be quick to prepare their infrastructure and modernise their portfolios of products and services. In this context, the Brazil Business Unit could be impacted by the need for the rapid development of technologies and infrastructures.

Competition in the TIM Group's principal lines of business has led, and could further lead, to:

- price and margin erosion for its traditional products and services;
- loss of market share in its core markets;
- loss of prospective customers; and
- greater difficulty in retaining existing customers.

Although the TIM Group continues to take steps to realise additional efficiencies and to rebalance its revenue mix through the continuous introduction of innovative and value-added services, if any or all of the events described above occur, the impact of such factors could have a material adverse effect on the results of operations and financial condition of the TIM Group.

Customer churn, or the threat of customer churn, may adversely affect the TIM Group's business.

The TIM Group is exposed to the risk of customer churn. Customer churn is a measure of the number of customers who stop subscribing for one or more of its products or services. Churn may arise mainly as a result of competitive influences, the relocation of clients outside of the TIM Group network area and price increases that the TIM Group may put in place. In addition, customer churn may also increase if the TIM Group is unable to deliver satisfactory services over its network or if its local and regional advertising strategies are not effective. For example, any interruption to its services, including the removal of certain

services, which may not be under its control, or other customer service problems, could contribute to an increase in customer churn or inhibit its goal of reducing customer churn. Any increase in customer churn could have a material impact on the TIM Group's business, financial condition and results of operations.

The TIM Group is subject to credit risk with respect to its customers.

The TIM Group's operations depend to a significant extent on the ability of its customers to pay for its services. In Brazil, under Brazil's national telecommunication agency (*Agência Nacional de Telecomunicações*) (**Anatel**) regulations, the TIM Group is allowed to undertake certain measures to reduce customer defaults, such as restricting or limiting the services the TIM Group provides to customers with a history of defaults.

In Italy, in order to intervene promptly to maximise receipts, TIM uses predictive analytical models both for assessing consumer credit risk and for implementing credit management and recovery actions in line with contractual conditions and current regulations.

If the TIM Group is unable to undertake measures to limit payment defaults by its subscribers or that allow it to accept new subscribers based on credit history, the TIM Group will remain subject to outstanding uncollectible amounts, which could have an adverse effect on its business, financial condition and results of operations.

The assumptions used in estimating savings targets components and steps as well as expected business and regulatory benefits are forward-looking in nature.

The TIM Group presents certain forward-looking savings targets that it expects to realise pursuant to the implementation of a cost-cutting transformation plan covering the 'TIM consumer business' segment and the 'TIM Enterprise' business segment and certain forward-looking business and regulatory benefits that the TIM Group expects to realise as a result of the successful completion of the NetCo Transactions and the implementation of the Transformation Plan. The assumptions used in estimating total savings, including the components of such estimates, and the steps to be taken to realise such savings as well as the assumptions used in estimating the timing and expected business and regulatory benefits from the successful completion of the NetCo Transactions and the implementation of the Transformation Plan are forward-looking in nature, inherently uncertain and subject to a variety of business, economic and competitive risks and uncertainties. It cannot be guaranteed that the information on which the TIM Group has based its estimates and assumptions will not change or that the TIM Group will be able to realise the cost savings or benefits that it believes possible based on these estimates and assumptions.

The TIM Group may face difficulties responding to new telecommunications technologies.

The wireless telecommunications market is experiencing significant technological changes worldwide, as evidenced by the following, among key factors:

- ongoing improvements in the capacity and quality of digital technology available in Brazil;
- shorter time periods between the introduction of new telecommunication technologies and subsequent upgrades or replacements;

- the development of user interface (UI), and user experience(UX), technology;
- the development of customer behaviours, particularly the migration of services from voice to data, requiring new planning models and accelerating the evolution of communications on IP networks;
- the development of cloud solutions to provide platform as a service (PaaS), software as a service (SaaS), or infrastructure as a service (IaaS), in order to drive down costs;
- voice over LTE, known as VoLTE, which increases significantly the quality of voice calls and allows companies to traffic voice as data through their 4G networks;
- the expansion of 5G DSS (dynamic spectrum sharing) technology, matched with the simultaneous management of multiple layers of legacy technology, such as a global system for mobile communication (GSM), 3G (Switch Off in Italy in 2H 2022), and 4G through different spectrum bands, which involves managing the LTE radio access network (RAN), sharing agreement among the TIM Group and other companies, which creates specific demands on bandwidth and performance, and takes advantage of network virtualisation, distributed cloud at the wireless edge, and allows multiple logical networks to run on top of a shared physical network infrastructure, known as network slicing, for traffic control in a service-based architecture;
- the recent acquisition of the 100 MHz frequency nationally in the 3.5 GHz band, in addition to 40 MHz blocks in the 2.3 GHz band in the South and Southeast regions of Brazil (excluding São Paulo);
- the deployment of a new technology in mobile networks called 5G standalone (5G SA), which requires unprecedented levels of automation across an end-to-end network to fulfil the needs of new services and applications. The 5G SA network needs to be flexible, programmable and distributable in nature, so that it can provide the necessary flexibility to reduce time-to-market and provide the greatest performance and efficiency gains. As a result of the development of 5G SA, products and services supplied by different providers can be more greatly differentiated as between competitors, as 5G SA better enables the provision of custom services, including, for example, services with very high throughputs and/or very low latencies;
- the widespread implementation, in the near future, of Embedded Subscriber Identity Module (e-SIM), technology, which is a small microchip built into phones as an alternative to the conventional physical SIM card, and which will enable the TIM Group's customers to switch faster to other providers, thereby increasing competition;
- the expansion of the IoT technology in all of its forms and applications, requiring the creation of new platforms enabling its operation in new areas of the value chain. Ecosystem IoT strengthening with new partnerships, using connectivity as an enabler to increase productivity and expand the customer base; and
- the acceleration in the use of artificial intelligence, or AI, and machine learning, in order to use resources more efficiently, reduce spending and increase agility.

It is not possible for the Issuer to fully evaluate the effect that such significant technological changes may have on the TIM Group's business. As a result, each of the above-listed factors may have a material adverse effect on the TIM Group's business, financial condition and results of operations.

The TIM Group business may be negatively impacted by restrictions on customer access to mobile phone financing.

Like other operators in the telecommunications industry, the TIM Group bases part of its strategy for attracting and retaining customers on mobile phone financing offered to its subscribers. Should consumers' access to mobile phone financing be more limited or more costly, in the future, for example, as a result of adverse financial market conditions in light of current inflationary market conditions or in the event of a recession, or a re-emergence of the COVID-19 pandemic causing lenders to tighten lending standards for consumer financing, consumers may be unable or unwilling to finance the purchase of handsets and other hardware from the TIM Group and so may delay their purchase of TIM Group products or services, negatively impacting its sales, growth capacity and the generation of cash to cover the TIM Group's financial obligations.

Increasing data security requirements by financial institutions, certain other corporate customers and governmental entities may adversely affect the TIM Group's business and profitability.

The TIM Group is a provider of fixed-line and mobile retail services to a number of public and private financial institutions, government entities and corporate customers with data security requirements. These customers may continue to increase their data security requirements, and the TIM Group may be required to undertake additional investments in order to adhere to these enhanced data security requirements, such as by, for example, enhanced encryption requirements, as well as evolving statutory and regulatory requirements, including obtaining and maintaining certain International Organisation for Standardisation (ISO) certifications, improving access rights management systems and developing a corporate data encryption infrastructure. As a result, the TIM Group may incur additional capital expenditures to satisfy its data security requirements. These customers could be dissatisfied with the TIM Group's enhanced data security requirements and could terminate their contracts with the TIM Group. Such terminations could have a material adverse effect on the TIM Group's business, financial condition and results of operations.

The TIM Group depends on data centres operated by third parties and third-party cloud computing platforms, and any disruption in the operation of these facilities or platforms or access to the Internet would adversely affect the TIM Group's business.

The TIM Group's business requires the ongoing availability and uninterrupted operation of internal and external systems and services. The TIM Group has adopted new technology infrastructure solutions, which carries with it some risk to business continuity. With the adoption of cloud computing technology, key IT systems are being migrated to the public cloud. Despite cloud computing reducing some risks, such as delays in the supply of equipment by suppliers (like spare parts, servers, etc.), the adoption of cloud computing means that the control and responsibilities for the proper functioning of the systems are shared between the TIM Group and the third parties. In all cases the third parties will be responsible for the physical infrastructure, connectivity, energy supply, cooling and all the capabilities related to infrastructure availability. Depending on the cloud service type involved for any specific system (e.g., for infrastructure as a service (IaaS), platform as a service (PaaS), software as a service (SaaS)), other capabilities will be the responsibility of the third party, according to the principles of the shared responsibility model defined by the cloud computing organisation, the Cloud Security Alliance, and incorporated into TIM Group's contracts with the third-party providers. These third-party providers may experience connectivity disruption, outages and other performance problems, which may be caused by a variety of factors, including infrastructure changes, human or software errors, viruses, security attacks, fraud, spikes in customer usage and denial of service issues. As such, the TIM Group's success also depends directly on the continuity of the provision of computing capacity and the availability of connectivity between the cloud computing provider's data centres, including the connectivity with the TIM Group's data

centres and internal networks. An intermittent failure or complete lack of connectivity or system availability, may cause interruption to the TIM Group's services, affecting its availability indicators as well as its revenue and reputation. Having data hosted on a public cloud also poses a risk to the TIM Group's ability to comply with data protection principles or law (such as the GDPR and LGPD (defined below)). As such, the TIM Group's success depends on its ability to certify that cloud providers are adopting security best practices, as well as complying with the terms of data protection laws in accordance with its contractually agreed terms.

The TIM Group may be subject to liability related to outsourcing certain functions to third-party service providers.

The TIM Group may be exposed to contingent liabilities due to the outsourcing of certain functions to third-party service providers. For example, following the NetCo Transactions, the TIM Group will acquire fixed-line wholesale access services from FiberCop to maintain its fixed offerings to its retail customers. See “*Description of the Issuer — Disposal of NetCo*”. Such potential liabilities may involve claims by third-party providers who claim that they are treated as direct employees as well as claims for secondary liability resulting from workplace injury, wage parity and overtime pay complaints. The TIM Group's financial condition and results of operation may be adversely affected in the event that a material portion of these liabilities are decided against it. In Brazil, the Supreme Court has declared the outsourcing of any company's main activities as legal, which indicates a probable favourable outcome regarding the matter. Regardless of the decision in the Supreme Court, the TIM Group would be jointly liable with the service provider in connection with any violation of labour obligations related to the outsourced workers. If the contracting of third-party services is considered to involve the main activities of the company, it may be characterised as direct employment, which would significantly increase the TIM Group's costs and as a result the TIM Group may be subject to administrative proceedings by the relevant labour authorities and required to pay fines to the third-party service providers. See also “*—Risks Related to the TIM Group's Business Activity and Industry—Following the successful completion of the NetCo Transactions, the TIM Group acquired from FiberCop certain fixed-line wholesale access services. Therefore, the TIM Group's future costs and results of operations could be materially affected if FiberCop, for any reason, fails to develop, maintain, repair, upgrade, protect and replace its existing fixed-line network in Italy in order to meet the needs of the TIM Group.*”

The TIM Group relies on certain third parties to provide services to its customers and to support its operations. Any delay or failure by such third parties to provide their services or products, any increase in the prices they charge the TIM Group or any decision not to renew their contracts with the TIM Group could cause delay or interruptions in its operations, which could damage its reputation and result in the loss of revenue and/or customers.

The TIM Group has important relationships with several suppliers of hardware, software and services that it uses to operate its network and systems and provide customer service. Further, it relies on various vendors to supply network equipment, mobile handsets and accessories necessary for its business. It also uses many suppliers, particularly in relation to smartphone suppliers and software licence providers and for deploying mobile telecommunications networks. To achieve the transmission capacity and quality levels needed for its growing number of subscribers and their changing requirements, the TIM Group relies partly on electronic communications networks belonging to other operators and networks rolled out by certain local authorities, such as FiberCop, Fastweb S.p.A., Open Fiber S.p.A., A2A S.p.A. and Lepida. In addition, following the NetCo Transactions, the TIM Group acquired fixed-line wholesale access services from FiberCop to maintain

its fixed offerings to its retail customers. See also “—*Following the successful completion of the NetCo Transactions, the TIM Group acquired from FiberCop certain fixed-line wholesale access services. Therefore, the TIM Group’s future costs and results of operations could be materially affected if FiberCop, for any reason, fails to develop, maintain, repair, upgrade, protect and replace its existing fixed-line network in Italy in order to meet the needs of the TIM Group.*”

The TIM Group’s primary suppliers are involved in the provision and deployment of fixed-line and mobile telecommunications networks as well as the supply of mass-market products, such as smart devices and software licences. Even though there are no constraints on the TIM Group in substituting these suppliers with other providers, any changes in macroeconomic conditions affecting the TIM Group or any other factors described in the “*Risk Factors—Risk Factors Related to the TIM Group*” section, individually or in the aggregate, could limit the TIM Group’s ability to renew its existing contracts or substitute these suppliers with other providers on commercially reasonable terms, if at all. This could have a material adverse effect on the TIM Group’s business, financial condition and results of operations.

One or more of the suppliers of the TIM Group may not be able to supply the products and/or services concerned. This could affect the TIM Group’s ability to fully control its networks, offer high quality services and conduct its operations, or could lead to additional costs, each of which could have a material adverse impact on the TIM Group’s business, financial condition and results of operations.

The TIM Group also hires a number of subcontractors to maintain its network, operate its call centres and supply, install and maintain the terminals set up at its customers’ homes. Even if the TIM Group works with a limited number of subcontractors which it carefully selects and closely monitors, it cannot guarantee that their tasks are properly carried out and fully compliant with the quality and safety standards it requires or that their tasks will not be further assigned to other third-party contractors. In the event that hardware or software products or related services from or by third-party contractors are defective, or if the tasks assigned to its subcontractors are not properly carried out, it may be difficult or impossible to enforce recourse claims against suppliers or subcontractors, especially if warranties included in contracts with suppliers or subcontractors are exceeded by those in the TIM Group’s contracts with customers, in individual cases, or if the suppliers or subcontractors are insolvent, in whole or in part. In addition, this would damage the TIM Group’s relationships with its customers and the reputation of its brands.

There can be no assurance that the TIM Group will be able to obtain the hardware, software or services it needs for the operation of its business, in a timely manner, on competitive terms and in adequate amounts, or at all. The occurrence of any of these risks may create technical problems, damage its reputation, result in the loss of customers and have a material adverse effect on its business, financial condition and results of operations.

Additionally, the TIM Group has entered into long-term contracts for television content distribution that commit it to paying a guaranteed minimum amount to the counterparties. The evaluation of these contracts and the estimate of the costs associated with them, are subject to a number of risks and uncertainties which include, among others, market dynamics, decisions of the market regulatory authorities and the development of new technologies to support the services. These estimates are periodically reviewed on the basis of actual data in order to ensure that the forecast data remain within reasonably predictable ranges. In the past, the TIM Group has faced risks relating to its internal control procedures with respect to complex contracts and

it may face similar risks in the future. For example, in the year ended 31 December 2024, the TIM Group recorded significant provisions for contractual risks for onerous contracts. See “*Documents Incorporated by Reference*” for further information. Not all of the factors mentioned are under the TIM Group’s control and could therefore have a significant impact on future forecasts regarding the performance of the contracts, the estimated margin amount (positive or negative) and/or the cash flows that will be generated.

From an ESG perspective, suppliers contribute significantly to the TIM Group’s overall environmental impact, and the inability to effectively engage suppliers in reducing CO2 emissions can pose a risk for the company in terms of failing to achieve climate goals, with economic and reputational impacts.

Continuing rapid changes in technologies could increase competition, reduce the usage of traditional services and require the TIM Group to make substantial additional investments.

The TIM Group, like other operators, faces increasing competition from non-traditional data services with respect to new voice and messaging OTT technologies, in particular OTT applications such as Microsoft Teams, FaceTime, Messenger and WhatsApp. These applications are often free of charge, other than charges for data usage, and are accessible via smartphones, tablets and computers. These applications provide users with potentially unlimited access to messaging and voice services over the Internet, bypassing more expensive traditional voice and messaging services, such as SMS, which have historically been a source of significant revenues for mobile network operators like the TIM Group. In Italy and Brazil, an increasing number of customers are using OTT applications services instead of traditional voice and SMS communications.

Historically, the TIM Group has generated a substantial portion of its revenues from voice and SMS services, particularly in its mobile business in Italy, and the substitution of data services for these traditional voice and SMS volumes has had, and could continue to have, a negative impact on the TIM Group’s operating results and financial position.

If non-traditional voice and messaging data services continue to increase to satisfy customers’ needs and the TIM Group is unable to address such competition, its average mobile revenue per user (ARPU) could decline and the TIM Group would face lower margins across many of its products and services, resulting in a material adverse effect on the TIM Group’s operating results and financial position.

Changes in competitive offerings for content, including the potential rapid adoption of piracy-based video offerings, could adversely impact the TIM Group’s business.

The market for content is intensely competitive and subject to rapid change. Through new and existing distribution channels, consumers have increasing options to access entertainment video, sports and other content. The various economic models underlying these channels include subscription, transactional, ad-supported and piracy-based models. All of these have the potential to capture meaningful segments of the content market. Piracy, in particular, threatens to damage the TIM Group’s business, as its fundamental proposition to consumers is so compelling and difficult to compete against: virtually all content for free. Furthermore, in light of the compelling consumer proposition, piracy services are subject to rapid global growth. Traditional providers of content, including broadcasters, as well as Internet-based e-commerce or content providers are increasing their Internet based offerings. Several of these competitors have long operating histories, large customer bases, strong brand recognition and significant financial, marketing and

other resources. They may secure better terms from suppliers, adopt more aggressive pricing and devote more resources to product development, technology, infrastructure, content acquisitions and marketing. New entrants may enter the market or existing providers may adjust their services with unique offerings or approaches to providing content. Companies also may enter into business combinations or alliances that strengthen their competitive positions. If the TIM Group is unable to successfully or profitably compete with current and new competitors, its business will be adversely affected, and it may not be able to increase or maintain its market shares, revenues and/or profitability.

The TIM Group may be adversely affected if it fails to successfully implement its Internet and 4.5G/5G Next Generation Mobile Networks strategy.

With the continuing development of Internet and broadband services the TIM Group aims to increase the use of its networks to offset the continuing decline of traditional voice services.

However, the TIM Group's ability to successfully implement this strategy may be negatively affected if:

- broadband mobile coverage does not grow as the TIM Group expects;
- competition grows to include players from adjacent markets or technological developments introducing new platforms for Internet access and/or Internet distribution;
- the TIM Group is unable to provide superior broadband connections and broadband/mobile services relative to its competitors;
- delays in obtaining the necessary permits, concessions and authorisations (including spectrum concessions and any required permits in relation to environmental, urbanistic, building permits, expropriation, zoning and fire prevention matters) occur or the TIM Group is unable to ensure continued compliance with the requirements set forth by such permits;
- delays in the procurement of materials and devices occur due to possible supply shocks;
- the TIM Group experiences network interruptions or related capacity problems with network infrastructure; or
- the TIM Group is unable to obtain adequate returns from the investments related to its network development.

In addition, the implementation of 4.5G/5G technologies is dependent on a number of factors, including the availability and selection of cutting-edge technology from the TIM Group's network/platforms and device vendors. If the TIM Group fails to achieve its objectives for the implementation of 4G/5G coverage in a timely manner, or at all, it may lose market share to its competitors in this strategically important segment.

Any of the above factors may adversely affect the successful implementation of the TIM Group's strategy and, accordingly, the TIM Group's business, financial condition and results of operations.

Failure to achieve coverage targets and the lack of technological transformation of legacy infrastructures and platforms may limit the provision of high-speed connectivity, reduce the quality of the service offered, and have consequences for customer experience, economic flows, and the TIM Group's reputation.

The TIM Group’s business may be adversely affected if it fails to successfully implement its ICT strategy.

The TIM Group intends to continue focusing on information technology-telecommunication (IT-TLC) convergence by addressing the ICT market, offering network and infrastructure management, as well as application management. In particular, as the market for cloud services continues to grow, the ICT market is expected to become a key element of its strategy.

For this reason, the National Strategic Hub (*Polo Strategico Nazionale*), in which the TIM Group holds a 45% equity interest, was recently established, dealing with the design, preparation, fitting out and management of infrastructure for the supply of cloud services and solutions for Italian local and national public administrations.

The TIM Group's strategies, such as the development of new technological infrastructures (i.e., Data Centres), partnerships with leading global players, and a series of proprietary innovative IT solutions, represent assets available for executing a growth strategy in this sector.

The rapid rate of technological innovation and strong competition are the main challenges that need to be addressed and managed, as they pose a risk in terms of revenues and margins, requiring careful and timely investment evaluation. TIM anticipates that the competition in this market will intensify as new players, particularly telecommunications operators collaborating with IT operators, enter the market and shift the balance of this sector, potentially impacting on the TIM Group’s objectives. See “—*The TIM Group may be subject to increasing market competition.*”

The TIM Group may be adversely affected by the potential legal, economic and reputational impact of the implementation of Artificial Intelligence solutions.

The market for services related to Artificial Intelligence (AI) is rapidly expanding. TIM, positioning itself alongside businesses and Public Administration (*Pubblica Amministrazione*) as a facilitator of the country's digital transformation, has established a technology hub in Turin to develop and experiment with further AI solutions. TIM adopts an ethical and responsible approach to manage the new risks associated with integrating AI into business processes, such as:

- compliance with law and regulation (e.g., the European regulation on artificial intelligence – EU AI Act);
- the quality of data (*big data* and *data analytics*); and
- the technological infrastructure and its interoperability with the systems.

To tackle this challenge, TIM is managing the risks associated with the use of AI solutions and systems, such as:

- non-compliance with laws and regulations;
- breach of data privacy and security;
- discrimination against individuals or people (equal treatment of groups of people);
- distortion effects produced by AI systems;
- sustainability of investments; and
- cyber security.

The potential effects associated with the identified risk factors could have a significant economic, legal, and reputational impact on TIM. To mitigate this possible impact, TIM has chosen to adopt a centralised governance approach by establishing a multifunctional team that brings together cross-disciplinary expertise.

The TIM Group's business may be adversely affected if it fails to successfully implement its ultrabroadband mobile access network strategy.

One of the TIM Group's goals is to accelerate the roll out of a new telecommunications network capable of providing customers with ultrabroadband connections, also thanks to the use of public funds linked to the NRRP in the regions where the TIM Group has won the tender.

However, the implementation of ultrabroadband technologies is dependent on a number of factors, including:

- delays in receiving the necessary permissions and authorisations for the installation of lines;
- delay in the supply of material and devices due to possible supply chain shocks; and
- increases in the transport, raw materials and labour costs of network companies due to inflationary pressures and increases in energy costs (see “—Risks related to Macroeconomic Conditions Affecting the TIM Group”).

If the TIM Group fails to achieve its objectives for the implementation of ultrabroadband coverage promptly, or at all, the TIM Group may lose market share to its competitors in this strategically important segment, which may adversely impact the TIM Group's operating results and financial position.

Delays in NRRP tenders or in completing roll outs are subject to predetermined penalties, which can be significant and could result in the overall revocation of the awarded grant.

The TIM Group's business depends on upgrading its existing networks.

The TIM Group must continue to maintain, improve and upgrade its existing mobile networks in Italy and Brazil, in a timely and satisfactory manner to retain and expand its customer base in each of its markets. A reliable and high-quality network is necessary to manage turnover by sustaining its customer base, maintaining strong customer brands and reputation and satisfying regulatory requirements, including minimum service requirements. The maintenance and improvement of the TIM Group's existing networks depends on its ability to:

- implement its network development plans with the required level of effectiveness/efficiency and within the timelines set by its business development plans;
- upgrade the functionality of its networks to offer increasingly customized services to its customers;
- increase the geographic coverage of its innovative services;
- maintain the required level of investment over the long term;
- expand and optimize customer service, network management and administrative systems;

- expand the capacity of its existing mobile networks to cope with increased bandwidth usage; and
- upgrade older systems and networks to adapt them to new technologies and enhance architecture.

In addition, due to rapid changes in the telecommunications industry, the TIM Group's network investments may prove to be inadequate or may be superseded by new technological changes. Its network investments may also be limited by market uptake and customer acceptance. If the TIM Group fails to make adequate capital expenditures or investments, or to properly and efficiently allocate such expenditures or investments, the performance of its networks could suffer, resulting in lower customer satisfaction, diminution of brand strength and increased turnover.

Many of these factors are not entirely under the TIM Group's control and may be affected by, among other things, applicable regulation. If the TIM Group fails to maintain, improve or upgrade its networks, its services and products may be less attractive to new customers and it may lose existing customers to competitors.

The TIM Group's capital expenditures may not generate a positive return.

The businesses in which the TIM Group operates, even after the completion of the NetCo Transactions, are capital intensive. See “—*The TIM Group's business depends on upgrading its existing networks.*” Significant capital expenditures are required to add customers to its networks, including expenditures for equipment and labour costs as well as for the acquisition and extension of various operating licences. The TIM Group employs a proactive capital expenditure strategy aimed at supporting its business as a telecommunications operator (e.g., rolling out mobile networks and purchasing spectrum in the markets) and establishing its commercial presence (through physical stores). The TIM Group's strategy is also designed to enhance its subscriber relations (by communicating through all media including video calls and virtual assistance) and to develop new products and services. However, it cannot be assured that the TIM Group's future upgrades will generate a positive return or that the TIM Group will have adequate capital available or be able to access debt financing on commercially reasonable terms, if at all, to finance such future upgrades. Mobile network rollouts in Italy and Brazil remain the TIM Group's largest priority. If the TIM Group is unable to, or elects not to, pay for costs associated with expanding or upgrading its mobile network or making other planned or unplanned capital expenditures, this could have a material adverse on the TIM Group's business, financial condition and results of operations. The TIM Group has based its estimates on assumptions that may prove to be inaccurate, and it could use its capital resources sooner than it currently expects, or its business plan may change as a result of a number of factors currently unknown to it.

The TIM Group's business may be affected by an unpredictable instant increase in traffic.

Unpredictable instant and massive increases in traffic due to, for example, live video events broadcast over the IP network from an OTT and/or a communications service provider (CSP) could materially affect the TIM Group's overall mobile network performance, causing slowdowns or momentary blockages of communications with consequences on reputation and customer satisfaction.

System and network failures could result in reduced user traffic and reduced revenue and could harm the TIM Group's reputation.

The TIM Group's success largely depends on the continued and uninterrupted performance of its IT, network systems and of certain hardware and data centres that it manages for its clients. In addition, the TIM Group's operations involve daily processing and storage of large amounts of customer data and require uninterrupted, accurate, permanently available, real-time and safe transmission and storage of customer and other data in compliance with applicable laws and regulations.

The TIM Group's technical infrastructure, including its network infrastructure for mobile telecommunications services, and the assets managed on behalf of clients, are vulnerable to damage or interruption from technology failures, power loss, floods, windstorms, heatwaves, fires, terrorism, intentional wrongdoing, human error and similar events. Unanticipated problems at the TIM Group's facilities, system failures, hardware and software failures, computer viruses and cyber-attacks (including information theft, data corruption, operational disruption or financial loss associated with the foregoing) and data leakage, as well as terrorist attacks against its infrastructure could affect the quality of its services and cause service interruptions. Any of these occurrences could result in reduced user traffic and reduced revenue and could negatively affect the TIM Group's levels of customer satisfaction, reduce its customer base and harm its reputation.

The TIM Group has implemented processes of vulnerability analysis, development of technical protection solutions, optimisation of capital allocation on technical investments and partial financial transfer of risk to the insurance market in order to seek to address the risks described above but there can be no assurance such measures will be sufficient.

TIM has adopted a Business Continuity Management System (BCMS) framework, in line with international standards, to analyse and prevent the aforementioned threats and considers business continuity a fundamental element for safeguarding the value and reputation of the TIM Group, ensuring service delivery, and fully complying with customer contracts, industry regulations, and, more generally, reference methodologies and best practices.

Additionally, TIM has implemented an insurance program covering business interruption risks concerning the activities carried out in the TIM Group's Data Centres.

National Cyber Security Perimeter (NCSP – Perimetro di Sicurezza Cibernetica Nazionale)

Within the framework of National Security regulations, the Italian Golden Power Legislation has been supplemented by the National Cybersecurity Perimeter (NCSP) regulation, established by Law No. 133/2019, converting Law Decree No. 105/2019.

The regulatory framework is based on three elements, governed by subsequent implementing decrees, which constitute obligations for TIM as a strategic operator: the implementation of security measures aimed at ensuring high levels of security for ICT assets, the secure assignment of ICT supplies, and the notification of security incidents.

Compliance with the obligations imposed by the NCSP legislation impacts TIM in terms of organisation and operational processes, the legislation being aimed at ensuring a high level of security for the networks, information systems, and IT services of public administrations, bodies, and public and private operators with

a base in Italy. This takes into account that these elements underpin the provision of an essential service for maintaining civil, social, or economic activities vital to the interests of the State, and their malfunction, interruption, even if partial, or improper use could harm national security.

TIM's failure to comply with the regulatory obligations under the NCSP results in administrative penalties of up to 1.8 million euros. Furthermore, the use of products and services without the required notifications to the relevant authorities, or failing testing or violating established conditions, may lead to the imposition of the supplementary administrative penalty of disqualification from assuming positions of management, administration, and control in legal entities and businesses, for a period of three years from the date of determination of the violation. Lastly, providing false information, data, or elements to hinder or influence the conduct of procedures or inspection and surveillance activities is punishable by imprisonment from one to three years.

The TIM Group's businesses are subject to cybersecurity risks.

Cybersecurity risks are among the most relevant risks for the TIM Group due to the central role of IT in its operations.

Despite efforts to modernize its network and replace outdated systems, the TIM Group's networks and systems are vulnerable to security threats, including cyber-attacks from internal and external sources. The cyber security attacks may be committed by third parties operating in any region, including jurisdictions where law enforcement measures to address such attacks are unavailable or ineffective. These attacks can disrupt service availability and compromise data, posing a significant risk to the TIM Group's reputation as a provider of critical national infrastructure as well as generating financial losses, market share reduction, and regulatory penalties. The TIM Group works to prevent and limit the impact of cyber-attacks, but an absolute protection cannot be guaranteed. The TIM Group or its third-party providers and other contractors cannot ensure that they will be successful in protecting customers' personal data and other data that is stored on the TIM Group system and their systems, and this poses a significant threat to the TIM Group's reputation.

To address these risks, the TIM Group must continue to identify and address technical vulnerabilities and weaknesses in its processes and enhance its ability to detect and respond to incidents. This includes strengthening security in the supply chain and ensuring the security of cloud services. The TIM Group has adopted ISO 27001 standard best practices, which was certified in November 2022. The TIM Group has also strengthened security measures relating to remote access and teleworking in response to the COVID-19 pandemic and the Russia-Ukraine conflict. Particular emphasis has been placed on protecting systems from major threats (e.g., *viruses, malware, data theft*). With regards to the wide range of attackers (*Cyber-Criminals, Cyber-Terrorists, Insiders*, etc.), the TIM Group conducts its activities not only to safeguard its own infrastructures but also, in a spirit of strong responsibility, to protect the informational assets of its clients and the essential services that are a priority target for the company and the national system.

Moreover, in order to prevent any impact and in line with the provisions of the National Cyber Security Perimeter (NCSP – *Perimetro di Sicurezza Cibernetica Nazionale*), the TIM Group was requested by the Computer Security Incident Response Team (a structure set up at the *Agenzia per la Cyber Sicurezza Nazionale*, which among other things, issues early warnings, cyber bulletins and disseminates information to interested parties regarding cyber risks) to raise the level of attention, adopting as a priority some mitigation actions including:

- verification of the consistency and offline availability of the backups necessary for the recovery of the core business services in particular;
- increase in monitoring and logging activities;
- creation, updating, maintenance and periodic exercise of incident response capabilities, business continuity and resilience plans;
- availability of key personnel;
- particular attention to cloud environments;
- prioritisation of patching activities;
- monitoring of service and administration accounts for anomalous activity;
- network traffic monitoring to analyse anomalous peaks; and
- increasing the ability to protect e-mail infrastructures against spear-phishing activities.

As to the prevention phase, the TIM Group oversees cyber risk analyses by defining security plans for the company's IT assets, aiming to identify in advance the necessary actions to mitigate cyber risk and ensure the adoption of a *security-by-design* approach. This includes monitoring the plans for said actions and verifying their effective application in the field.

The TIM Group has also established advanced testing laboratories to assess the security level of devices and systems before they are operational and isolated environments dedicated to identifying possible vulnerabilities in the hardware and software products employed.

In terms of identifying and responding to cyber-attacks, the Security Operation Center (SOC) operates 24/7 throughout the year to manage cybersecurity incidents and help contain their impact. Additionally, to partially mitigate the potential economic and financial impact arising from cyber-attacks, the TIM Group has structured a specific risk-transfer policy through dedicated insurance coverage.

For understanding and preventing cyber threats, TIM has a dedicated Cyber Threat Intelligence unit that acquires, processes, and utilises data and information from multiple external sources (public, private, institutional, and from the deep and dark web) to enhance its capacity for timely identification and counteraction of emerging threats, as well as to outline evolving risk and threat scenarios.

In this context, information exchanges and collaboration with the National Cybersecurity Agency (ACN) and other institutions (e.g., the National Centre for Cybercrime and the Protection of Critical Infrastructure - CNAIPIC) are included.

The TIM Group continues to act in coordination with the ACN, and particularly given the geopolitical context and the evolution of information exchanges at the European and NATO level, it has heightened the alert level concerning cyber risk.

Furthermore, in order to partially mitigate any economic-financial impact deriving from cyber-attacks, the TIM Group has structured a specific financial risk transfer policy through dedicated insurance coverage.

The inability to operate the TIM Group networks and systems as a result of cyber-attacks, even for a limited period of time, may result in significant expense and a loss of market share to other communications

providers. The costs associated with a major cyber-attack could include expensive incentives offered to existing customers and business partners to retain their business, increased expenditures on cyber-security measures and the use of alternate resources, lost revenues from business interruption and litigation. A major security incident or business interruption, or noncompliance with applicable laws and regulations (including those establishing the NCSP) could result in financial loss, reputational damage, market share loss and regulatory sanctions. Further, as cyber-attacks continue to evolve, and also in light of any further obligation imposed on the TIM Group as a result of its inclusion in the NCSP, the TIM Group may incur significant costs in the attempt to modify or enhance the TIM Group's protective measures or to investigate or remediate any vulnerability. Any loss of confidential or proprietary data through a breach could have a material adverse effect on the TIM Group's business, financial condition, results of operations and prospects. Pursuant to the applicable data protection regulations, if a significant or widely publicized unlawful disclosure of employee or customer data were to occur, whether as a result of a failure of the TIM Group's information technology security systems, employee negligence or the actions of its vendors, the TIM Group may be subject to legal claims by individuals, fines or other enforcement action. *See “—The TIM Group's activities could be materially negatively affected by failure to comply with GDPR and Italian Privacy Code.”*

Future partnerships or joint ventures that the TIM Group enters into may not bring the expected financial results and could cause harm to its image as well as incur financial costs.

The TIM Group may enter into relationships with other businesses in order to expand the TIM Group's platform, which could involve preferred or exclusive licences, additional channels of distribution, or discount pricing or investments in other companies. Negotiating these transactions can be time-consuming, difficult and expensive, and the TIM Group's ability to close these transactions may be subject to third-party approvals, such as government regulatory approvals, which are beyond its control. Consequently, the TIM Group can make no assurance that these transactions, once undertaken and/or announced, will close.

Furthermore, the TIM Group's established partnerships are subject to common litigation risks and the TIM Group can make no assurance that these established partnerships or future partnerships will not become involved in any type of dispute. The TIM Group may also be required to initiate litigation to protect its interests.

The TIM Group has entered and may enter into strategic transactions, such as acquisitions, investments or dispositions, involving unforeseen risks, and it may not realise the financial and strategic goals that were contemplated at the time of any transaction and, additionally, there are risks associated with the integration of any acquisitions.

As part of the TIM Group's business strategy, it pursues strategic and opportunistic acquisitions, investments and dispositions, including the NetCo Transactions, any of which could be material to its financial condition or results of operations. The TIM Group cannot guarantee that it will be able to continue making such acquisitions, investments and dispositions and its ability to enter into these transactions may be limited by many factors, including the availability of financing, complex ownership structures among potential targets and government regulation and competition from other potential acquirers. In addition, if the purchase price is paid in cash, this will reduce the TIM Group's cash reserves. Further, the TIM Group's debt burden may increase if it borrows funds to finance any future acquisition or investments, which could have a negative impact on its cash flows and its ability to finance its overall operations and make cash interest payments on

its outstanding indebtedness. Even if the TIM Group is successful in acquiring new businesses or disposing existing business, the integration of such businesses may prove to be more difficult than it initially anticipated and could create unforeseen operating difficulties and expenditures. The TIM Group cannot ensure that any benefits will materialise, and it may suffer losses in connection with the used funds and to the opportunity costs related to such transactions.

Additionally, acquisitions and investments pose certain risks, such as (i) identifying acquisition, partnership and joint venture targets, competition from competitors targeting the same acquisition or investment, difficulties or delays in consolidating operations and achieving anticipated synergies, cost savings, revenues and cash flow enhancements, growth, operational efficiencies and other benefits; (ii) diversion of managerial resources away from its day-to-day business operations; (iii) potentially dilutive issuances of equity securities to the extent that it issues new shares to fund an acquisition and (iv) the assumption of unexpected liabilities and undisclosed risks.

Furthermore, certain contracts of the TIM Group contain “change of control” provisions that require the acquired or acquiring company to notify the counterparty of a potential change of control, or contain language that could be interpreted as allowing, subject to certain conditions, the counterparty to terminate the contract. If a substantial number of these contracts are or will be terminated as a result of a potential acquisition or disposition, the TIM Group may be forced to enter into new contracts on less favourable terms, or it may be unable to secure replacements. While the TIM Group strives to mitigate unexpected liabilities and risks through contractual protections in its acquisition and disposition documentation, it cannot ensure that such protections will be effective. If the TIM Group enters into an acquisition or disposition agreement, but the acquisition or disposition is not consummated, the TIM Group may be liable for break-up fees or other payments, which may be material.

Goodwill impairments may be required in relation to acquired businesses.

The TIM Group has recorded a significant amount of goodwill. As of 31 December 2024, its total goodwill, which represents the excess of the cost of acquisitions over interest in the net fair value of the assets acquired and liabilities and contingent liabilities assumed, amounted to €11,030 million, representing 29.29% of its total assets. Additionally, the TIM Group has made business acquisitions in the past and may make further acquisitions in the future. See “—*The TIM Group has entered and may enter into strategic transactions, such as acquisitions, investments or dispositions, involving unforeseen risks, and it may not realise the financial and strategic goals that were contemplated at the time of any transaction and, additionally, there are risks associated with the integration of any acquisitions.*” It is possible that the goodwill which has been attributed, or may be attributed, to these businesses may have to be written down if the valuation assumptions are required to be reassessed as a result of any deterioration in the underlying profitability, asset quality and other relevant matters of the businesses. According to the relevant IFRS accounting standard, impairment testing in respect of goodwill is performed annually, or more frequently if there are impairment indicators present, and comprises a comparison of the carrying amount of the cash-generating unit with its recoverable amount. Accordingly, there can be no assurances that the TIM Group will not have to write down the value attributed to goodwill in the future, which would adversely affect its results and net assets.

The TIM Group is dependent on intellectual property rights, particularly trademarks, logos and domain names, and inadequate protection of its intellectual property rights, or intellectual property rights litigation, could adversely affect its business.

The TIM Group relies on its trade names, trademarks, logos, domain names, copyrights, patents and trade secrets, as well as licences and other agreements with its vendors and other parties, to use its technologies, conduct its operations and sell its products and services. The TIM Group relies upon a combination of copyright, trademark and patent laws to establish and protect its intellectual property rights, but it cannot be guaranteed that the actions the TIM Group has taken or will take in the future will be adequate to prevent violation of its proprietary rights. The TIM Group cannot ensure that measures taken in Italy, Brazil or elsewhere to protect its intellectual property rights, particularly its trademarks, logos and domain names, will be effective or that third parties will not infringe or misappropriate its intellectual property rights. There can be no assurance that litigation will not be necessary to enforce its trademark or proprietary rights, such litigation may be costly, and could ultimately be unsuccessful in enforcing its intellectual property rights. Any of these factors could have a material impact on the TIM Group's business, financial condition and results of operations

The TIM Group operates in an industry characterised by frequent disputes over intellectual property. Its competitors may engage in hostile intellectual property action. Given the evolving high-tech nature of its business, the TIM Group has set up mechanisms to comply with all intellectual property laws to which it is subject, but there can be no assurance that the TIM Group is not infringing, or will not infringe, the intellectual property rights of third parties. As the number of convergent product offerings and overlapping product functions increase, the possibility of intellectual property infringement claims against it may correspondingly increase. Any such claims or lawsuits, whether with or without merit, could be expensive and time consuming to defend, could cause the TIM Group to cease offering its licensing services and products that incorporate the challenged intellectual property, or could require it to develop non-infringing products or services, if feasible, which could divert the attention and resources of technical and management personnel as well as substantial capital resources. In addition, it cannot be guaranteed that the TIM Group will prevail in any litigation related to infringement claims against it. A successful claim for infringement against the TIM Group could result in a requirement to pay significant damages, cease the development or sale of certain products and services that incorporate the challenged intellectual property, the obtaining of licences from the holders of such intellectual property, which may not be available on commercially reasonable terms, or otherwise the redesign of those products to avoid infringing upon others' intellectual property rights.

The complexity of the TIM Group's governance structure could influence, delay or hinder strategic and management decisions.

The TIM Group's governance structure is complex, in part due to the large diffusion of its shareholding which is subject to continuous change (see: "*Description of the Issuer*" for further information on the shareholdings of TIM). As a result of this complexity, it is possible that the TIM Group's strategic and management decisions could be influenced, challenged, delayed or hindered, which may adversely affect its operating results and financial condition. See "*Litigation*" for further information.

Failure to meet stakeholders' Environmental, Social and Governance (ESG) expectations as well as increasing ESG regulatory requirements, may lead to reputational loss, loss of business or limit access to sustainable finance as well as to the imposition of fines and other regulatory constraints. Operational and financial costs and cost of capital associated with enhancing ESG performance may be significant.

The TIM Group is subject to increasing requirements and expectations from its stakeholders to manage ESG impacts and risks and effectively takes into account the interests and opinions of relevant stakeholders in order to guarantee long-term value. One important and structured moment of engagement is the double materiality process in order to assess the extent of potentially material impacts, risks and opportunities (IROs). The results that emerged are used to direct corporate strategy.

TIM attaches strategic priority to risks related to sustainability, integrating them into overall risk management processes. The process of identifying, assessing and managing sustainability-related risks is integrated into TIM's Enterprise Risk Management (ERM) framework, enabling a unified view of business risks, and ensuring consistency with TIM's business plan objectives.

The sale of the network to FiberCop has led to a reduction in the total emissions impact for the TIM Group and a redistribution of the type of emissions produced. More specifically: on one hand, the downsizing of civil and industrial infrastructure has reduced emissions relating to production activities (Scope 1) and energy purchase (Scope 2), resulting in lower exposure of the TIM Group to the volatility of energy prices. On the other hand, the increase in emissions associated with production activities in the supply chain (fixed network wholesale services, management services for industrial and civil buildings, energy) requires a greater commitment from the TIM Group to guide suppliers' decarbonisation actions to prevent the risk of not meeting climate commitments, with repercussions for the company's reputation and access to sustainable finance.

The TIM Group has set itself the goal of becoming carbon-neutral by 2030 (Scope 1+2), also due to a commitment to purchase 100% renewable energy by 2025.

Furthermore, the TIM Group has committed to achieve net zero emissions by 2040 and to reach a 47% reduction in the emissions of its value chain (Scope 3) relating to the purchase of goods and services, the purchase of capital goods and the use of products sold to customers.

TIM's new internal organization and the consequential importance of improving management of the supply chain in order to address environmental impact is confirmed by the recent double materiality analysis which identifies how "the inability to effectively involve suppliers in the reduction of emissions can cause the failure to achieve the climate objectives, with an impact on economic and financial results as well as reputational damage".

Extreme weather events due to climate change can create discontinuity in business activities, damage infrastructure and consequently affect the company's economic and financial flows.

The worsening of climate change increases the likelihood and severity of extreme weather events such as heat waves, floods and windstorms which may cause severe disruption to telecommunications and ICT services, reduce work efficiency (hours actually worked) and have a consequential impact on the TIM Group's business. More extreme weather may also drive the need for additional investments in cooling technology and other

more resilient infrastructure; the risk that external environmental conditions can pose for business continuity could increase the weighted average cost of capital (WACC).

Regulatory changes to energy and environmental policies may increase energy prices, affect the profitability of energy efficiency actions and the use of renewable sources, and cause a variation in the availability of renewable energy certificates, and/or the potential introduction of a carbon tax.

Compliance with such requirements may lead to increased operational and financial costs and in the cost of capital for the TIM Group.

In the area of cybersecurity, cyber-attacks and sabotage of physical infrastructure can disrupt the business continuity of services, worsening economic and financial performance and damaging the reputation of the Company.

Regarding privacy issues, unauthorized access to the personal data of customers or employees can result in legal liability, regulatory sanctions, economic and financial damage and reputational damage.

From the point of view of the Group's governance, regulations and business conduct is constantly monitored, and possible corrective actions to address risks and negative impacts -generally attributable to issues related to compliance and business ethics- are identified in order to limit the likelihood of legal liability and financial sanctions, as well as reputational damage.

The market for services associated with Artificial Intelligence (AI) is developing rapidly, and TIM is particularly focused on taking an ethical and responsible approach to managing the new risks of integrating AI into business processes. Failure to adapt to regulatory developments in the use of generative AI can cause reputational damage and sanctions and can harm the economic sustainability of the company.

Failure to close the digital divide may adversely affect the TIM Group's business, financial condition and results of operations.

Failure to meet coverage targets and failure to technologically transform legacy infrastructure and platforms can limit the provision of high-speed connectivity, reduce the quality of the service provided with consequences for customer experience, economic flows and corporate reputation. Furthermore, failure to implement digital inclusion actions aimed at the accessibility and continuity of the services offered may result in customer dissatisfaction, potential sanctions and economic and financial losses.

The TIM Group is highly committed to promoting digital inclusion and has engaged in, among other things, NRRP tenders, such as those for connected schools and digital health or the National Strategic Hub (*Polo Strategico Nazionale*) project aimed at strengthening the digitalisation of the Italian public administration services.

The TIM Group also focuses on digital identity services in Italy: there are more than five million active services between the certified e-mail address (PEC) and Digital Signature and Public Digital Identity System (SPID) to allow citizens and businesses to access public administrations' online services.

Any changes in the TIM Group's directorship and/or senior management could adversely affect the TIM Group's business.

The TIM Group may face difficulties in realising its strategic goals, such as executing its 2025-2027 Industrial Plan. Maintaining consistent top management may ease the execution of its Industrial Plan however, any changes in the TIM Group's top management could disrupt this continuity, potentially leading to delays, interruptions or deviations in the execution of the TIM Group's strategic plans.

There can be no assurance that the Board will not face (i) hardships in executing the TIM Group's strategic plan and its various objectives and/or (ii) difficulties in operating the TIM Group's business. The Board may be unable to effectively direct the new business or navigate through the goals and objectives of the 2025-2027 Industrial Plan. If the Board fails to implement or deviates from any aspect of the TIM Group's strategic plan, this could have a material adverse effect on the TIM Group's business, financial condition, results of operations and cash flows. Currently, the risk is mitigated by the current stability of the Board, which has confirmed for a second term the current CEO.

Failure to recruit, retain and engage skilled employees may adversely affect the achievement of strategic objectives.

The ability to attract and retain qualified, skilled and motivated staff is a key factor in ensuring the pursuit of strategic objectives while ensuring high levels of service and customer satisfaction. The Group's new organizational structure, which saw a reduction in the number of employees in 2024, confirms the focus on equal opportunity and inclusion issues to reduce the risk of gender inequality in terms of pay, positions of responsibility and career paths with consequences on talent attraction and retention.

2. Risks related to macroeconomic conditions affecting the TIM Group

The TIM Group operates in multiple jurisdictions and is exposed to a variety of macroeconomic factors, which may impact its operating results and financial position.

The TIM Group's international presence enables the diversification of its activities across various countries, but it also exposes the TIM Group to diverse legislation, as well as to the political developments and economic environments of the countries in which it operates. Any adverse developments in this regard, particularly in the key markets in which the TIM Group operates (Italy and Brazil) including exchange rate or sovereign-risk fluctuations, as well as growing geopolitical tensions, may adversely affect the TIM Group's operating results and financial condition and/or may hinder the TIM Group's cost saving objectives set out in the TIM Group's strategic plan.

The latest data released by the National Institute for Statistics (*Istituto Nazionale di Statistica - ISTAT*) in December 2024 indicate a slowdown in the Italian economy in 2024 compared to the expectations set at the beginning of the year. This slowdown also affects the growth forecasts for 2025. The scenario outlined by the Bank of Italy, consistent with that of ISTAT, anticipates an average growth of +1% over the forecast period 2025-2027. In both scenarios, next year's growth is supported by domestic demand, which is improving due to the reduction in unemployment rates. However, the prospects for external demand are clouded by uncertainty regarding trade policies that may shape the decisions of the new U.S. administration and developments in the geopolitical landscape.

Energy prices continue being a closely monitored variable. The recent increase in gas prices, due to the consequences of the Russia-Ukraine military conflict, could impact inflation and consumption, leading to a deterioration in the macroeconomic outlook and affecting business conditions.

Compared to previous evaluations, the Central Bank of Brazil released an update in December 2024 revising upwards the GDP growth estimates for 2024, reflecting an improvement in the services sector that offsets the decline in estimates for agriculture and industry. The GDP projections for 2025 stand at +2.1%, driven mainly by the expected increase in household consumption.

Inflation in 2024 is expected to increase compared to previous estimates, exceeding both the set target and last year's value. Inflation prospects for 2025 have also risen compared to the previous forecast. Despite the approval of the package of measures to reduce public spending and interest rate hikes to contain inflation, the potential introduction of tariffs by the new U.S. administration and a general distrust of Brazilian fiscal policies could delay the stabilisation of the exchange rate, which, during 2024, has shown high volatility and a significant devaluation against the euro.

Fluctuations in currency exchange and interest rates and the performance of, or any adverse changes in, the financial markets in general may adversely affect the TIM Group's results.

In the past, the TIM Group has made substantial international investments, particularly in Latin America, significantly expanding its operations outside of the Eurozone.

The TIM Group generally hedges its foreign exchange exposure but does not cover conversion risk relating to its foreign subsidiaries. According to its policies, the hedging of the foreign exchange exposure relating to financial liabilities is mandatory. Movements in the euro exchange rates relative to other currencies (particularly the BRL) may adversely affect its consolidated results. A rise in the value of the Euro relative to other currencies in certain countries in which the TIM Group operates or has made investments will reduce the relative value of the revenues or assets of its operations from those countries and, therefore, may adversely affect its operating results and financial position.

In addition, the TIM Group has raised, and may raise an increasing proportion, financing in currencies other than the Euro (principally U.S. dollars and BRL). In accordance with its risk management policies, the TIM Group generally hedges the foreign currency risk exposure relating to non-Euro denominated liabilities, through cross-currency and interest rate swaps. However, hedging instruments may not be successful in protecting the TIM Group effectively from adverse exchange rate movements.

The TIM Group aims to minimize the impact of negative interest, in part by hedging its exposure to negative interest through the use of derivatives instruments. Any changes in interest rates that have not been adequately hedged by derivatives contracts may result in increased financial liabilities in connection with the TIM Group's floating rate debt, which may have adverse effects on the results of its operations and cash flows.

An increase of sovereign spreads, and of the default risk they reflect, in the countries where the TIM Group operates, may affect the value of its assets in such countries.

The TIM Group may also be exposed to financial risks such as those related to the performance of the equity markets in general, and, more specifically, risks related to the performance of the share price of the TIM Group companies.

The TIM Group may be exposed to financial risks, such as those deriving from fluctuations in interest and exchange rates, credit risk, liquidity risk and general risks associated with the financial markets that it is exposed to and, more specifically, risks associated with deviations in the stock price of the TIM Group's subsidiaries. Such risks can have a negative impact on the financial results and structure of the TIM Group. Therefore, to manage such risks, the TIM Group has established, at a centralised level, guidelines that instruct operational management, the identification of the most suitable financial instruments to meet the set objectives and monitoring of the results achieved.

Financial markets may also suffer from adverse macroeconomic conditions. During 2021 and 2022, uncertainty surrounding global growth rates, the impact of the COVID-19 pandemic and the Russian-Ukraine military conflict have affected companies' access to the credit markets, leading to higher borrowing costs for funding ongoing operations. While the TIM Group may prove to be successful in accessing the credit and fixed income markets when needed, adverse changes in the financial markets could render it able to access these markets only at higher interest costs and with restrictive financial or other conditions, severely affecting its business operations. Additionally, downgrades in its credit rating by the major credit rating agencies could increase its cost of borrowing and also impact the collateral the TIM Group would be required to post under certain agreements it enters, which could negatively impact its liquidity.

Therefore, in order to manage such risks, the TIM Group has established guidelines for operational management, identification of the financial instruments most suitable to meet the objectives set and a monitoring of the results achieved. In particular, and in order to mitigate liquidity risks, the TIM Group aims to maintain an "adequate level of financial flexibility," in terms of cash and committed syndicated credit lines in order to cover its financing needs for 12-18 months, at a minimum.

Any significant increase in interest rates could therefore lead to an increase in the TIM Group's debt service expenses, which would have a material adverse effect on the TIM Group's business, financial condition, results of operations and prospects.

Global economic conditions and political events could adversely affect the TIM Group's business, results of operations and financial condition.

The TIM Group's operations are influenced by global geopolitical events, including the ongoing Russia-Ukraine conflict and the more recent Israel-Palestine conflict. These situations have indirect yet tangible effects on the TIM Group's business, primarily through increased costs in energy, raw materials and transportation.

At the moment the impact of the geopolitical situation on the TIM Group's business is of an indirect nature, primarily associated with the increase in costs for energy, materials and transportation. The reduction in the volume of gas from Russia to the European Union due to recent developments in the Russia-Ukraine conflict could increase the cost of energy. In this regard, the TIM Group has implemented a hedging programme which, in Italy, has allowed for the advance purchase of a large portion of the 2025 needs.

The TIM Group, in coordination with the National Cybersecurity Agency (ACN), has raised the alert level of ICT monitoring for cyber security risks has implemented the technical indications from ACN.

The recent Israel-Palestine conflict presents the risk of regional escalation in the Middle East. Although the TIM Group does not engage in operations within Middle Eastern countries, the duration, ramifications and outcome of this conflict are highly uncertain. Potential short- or long-term consequences may include economic sanctions, economic and political instability, rising inflation and energy costs, supply chain disruptions and negative impacts on currency exchange rates and financial markets.

The inauguration of the new U.S. administration will lead to a change in the country's foreign policy decisions, which could impact both the geopolitical balance and the evolution of international trade, potentially affecting imports of advanced technological and digital systems.

More generally, escalating geopolitical tensions, either in Europe or worldwide, could affect the TIM Group's operations, including the safety and security of its employees and the integrity of its network operations. There is the possibility that cyber-attacks could affect the TIM Group's, or its clients', infrastructures and data, and there is an increased likelihood of a supply chain shock that could lead to higher inflation in the short and medium term. These events, individually or in the aggregate, could materially and adversely affect the TIM Group's business, financial condition, results of operations and prospects.

There is a risk that Italy's economic growth in 2025 will experience a slowdown.

ISTAT data in December attest to a slowdown in the Italian economy in 2024 compared to the expectations formulated at the beginning of the year. The national statistics institute revised downwards its estimates for the year just ended from +1% to +0.5%, considering the zero growth in GDP in the third quarter 2024. The slowdown is also projected on the growth forecasts for 2025 which are now at +0.8%.

A significant slowdown in Italy's economic growth could impact the demand for telecommunications products and services in Italy, which could have an adverse effect on the TIM Group's business, financial condition and results of operations.

The inflationary pressure and rising input and borrowing costs may cause a slowdown in Italy's employment rate and ultimately in the TIM Group's consumers' demand.

The inflation rate in Italy is under 2% in 2024 and is expected to be 1.5% for 2025. If the inflation rate increases to high level this could put pressure on real disposable incomes and weaken purchasing power, negatively impacting internal demand. If wages adapt to the new level of prices within a reasonable time lag and price pressures ease, private consumption may pick up.

The above factors are affecting the spending capacity of the TIM Group's consumer and business customers, leading to weaker demand, customers being less willing to pay for premium services and an increase in the risk of bad debts, which could each result in a reduction in the TIM Group's revenue and/or profit.

Any downturn in economic conditions in Brazil may have an adverse impact on the TIM Group's operations.

The Brazilian economy's growth is also affected by trends in the global economy. Further, as a consequence of a restrictive monetary policy which served to restore credibility and stability to the Brazilian currency and to contain inflation, Brazilian GDP grew by +3.4% in 2024, an increase compared to previous assessments (+3.2%) while projections for 2025 stand at +2.1%. In relation to the internal components of aggregate demand, household consumption (+5.3% compared to the +4.5% previously estimated) and investments (from +5.5% to +7.3%) increased.

Worsening market and financial conditions in Brazil could have an adverse impact on the TIM Group's Brazilian operations, which could have a material impact on the TIM Group's business, financial condition and results of operations.

Risks related to Brazilian political conditions may negatively affect the TIM Group's business.

Political conditions in Brazil may affect the confidence of investors and the public in general, as well as the development of the economy. Political crises have affected and continue to affect the confidence of investors and the general public, historically resulting in economic deceleration and heightened volatility in the prices of securities offered by companies with significant operations in Brazil.

Uncertainties regarding the government's ability to implement policies and reforms, as well as external perception of the Brazilian economy and political environment which may materialise in the future, could have a negative impact on the TIM Group's business. In particular, if the Brazilian government is unable to implement any necessary reforms this may lead to diminished confidence in the Brazilian government's budgetary condition and fiscal stance, which could result in downgrades of Brazil's sovereign foreign credit rating by credit rating agencies, negatively impacting Brazil's economy and leading, in turn, to depreciation of the real and/or an increase in inflation and interest rates. Any such developments may have a material adverse impact on the TIM Group's business, results of operations, financial condition and prospects. Uncertainty about the Brazilian government's implementation of changes in policies, or regulations that affect such implementation, may contribute to economic instability in Brazil and increase the volatility of securities issued abroad by Brazilian companies, including the TIM Group's securities.

Any of the above factors may create additional political uncertainty, which could harm the Brazilian economy and, consequently, the TIM Group's business, and could adversely affect its business, results of operations, financial condition and the price of its common shares.

Unexpected and uncertain events, such as the emergence of a new pandemic, could significantly affect the TIM Group's operations.

While the peak of the Covid-19 pandemic has passed, the possibility of new pandemic outbreaks due to new variants cannot be completely ruled out. This could affect the operations of the TIM Group and could result in a decrease in roaming volumes, lower customer growth, an increase in bad debts, negative effects on network maintenance and the supply chain, leading to reduced margins, revenues, or delays in cash flows.

The economic and regulatory conditions in the Brazilian telecommunications market could affect on the TIM Group's objectives.

The economic and regulatory environment faced by some relevant telecommunications companies in Brazil, such as Sercomtel, a local phone and Internet service provider in the state of Paraná, and Sky, could also be expected to encourage the consolidation trend or even the entry of a new competitor in the Brazilian telecommunications market. In 2018, via a new resolution, Anatel reduced one of the main regulatory barriers to consolidation in the mobile market. Resolution No. 703/2018 changed the spectrum cap regulation by increasing the amount of spectrum bandwidth an operator is allowed to retain, depending on frequency range and applicable antitrust measures. If such consolidation occurs, it may result in increased competition within the telecommunication market. The TIM Group may be unable to adequately respond to pricing pressures resulting from consolidation in the market, adversely affecting its business, financial condition and results of operations. On 5 November 2020, Anatel Resolution No. 736/2020 amended Resolution No. 703/2018 by establishing new maximum limits for the spectrum between 1 GHz and 3 GHz, with the allocation of L Band (+90 MHz in the 1.5 GHz band) for SMP. The TIM Group may also consider engaging in merger or acquisition activity in response to changes in the competitive environment, which could divert resources away from other aspects of the TIM Group's business. See “—*The TIM Group has entered and may enter into strategic transactions, such as acquisitions, investments or dispositions, involving unforeseen risks, and it may not realise the financial and strategic goals that were contemplated at the time of any transaction and, additionally, there are risks associated with the integration of any acquisitions.*”

3. Risks related to the TIM Group's legislative and legal framework

The Italian Golden Power Authority has exercised, and may in the future exercise, its special powers under the Golden Power Legislation with respect to the TIM Group, including with respect to the TIM Group's ability to enter into strategic transactions.

In Italy, Law Decree No. 21 of 15 March 2012, as converted into Italian law by Law No. 56 of 11 May 2012, as amended from time to time (together with further implementing decrees) (the **Italian Golden Power Legislation**) provides the Italian Council of Ministries (*Presidenza del Consiglio dei Ministri*) (the **Italian Golden Power Authority**) with certain special powers over companies of strategic importance to the national essential interest. This could, on the one hand, limit TIM's autonomy in conducting its activities within the realm of strategic services. On the other hand, as a strategic operator, TIM can provide advantages to its shareholders by making any potential changes in control shares more complex, thereby protecting investments and ensuring a higher level of security for strategic assets and services.

In brief, the Presidency of the Council of Ministers, with the measure dated 28 September 2017, established that TIM is subject to the obligations under Law Decree No. 21/2012 (known as the **Golden Power Decree**, containing regulations on special powers), as a company that:

- engages in “activities of strategic importance for the national defence and security system” (as per Article 1 of the Law Decree) and
- holds networks and facilities “necessary to ensure the minimum supply and operation of essential public services,” as well as assets and relationships “of strategic importance for the national interest” in the communications sector (as per Article 2 of the same Law Decree).

In particular, pursuant to the Italian Golden Power Legislation, the Italian Golden Power Authority may, among other things, exercise a veto or impose undertakings, conditions and other requirements in certain cases, such as:

- (i) the acquisition of certain shareholdings in companies having assets and relationships in sectors qualified as strategic, such as, among others, defence and national security, energy, transport, communications, financial, healthcare, agri-food, critical technologies and personal data processing (the **Strategic Companies**); and
- (ii) resolutions, acts or transactions concerning Strategic Companies that hold strategic assets, and which involve a change in the ownership, control, possession or intended use or purpose of such assets or relationships of strategic importance, such as mergers, de-mergers, transfers of assets or business units in which such assets are included and the enforcement and, according to a prudential interpretation, the granting or extension of securities over (i) the shares, if it concerns a shareholding in a Strategic Company meeting or exceeding, as the case may be, the thresholds indicated below or (ii) strategic assets.

With reference to the acquisition of shareholdings in Strategic Companies, the Italian Golden Power Legislation provides that the following transactions shall be communicated to the Italian Golden Power Authority for screening purposes and the possible exercise of the veto right or the imposition of undertakings, conditions and/or other requirements:

- acquisitions by both EU/EEA (including Italian) and non-EU/EEA natural persons or legal entities of shareholdings in Strategic Companies in the defence and national security sectors exceeding 3% of the share capital and/or voting rights, and subsequently in the event of exceeding the thresholds of 5%, 10%, 15%, 20%, 25% and 50%;
- acquisitions, by non-EU/EEA natural persons or legal entities, of a stake representing at least 10% of the share capital and/or the voting rights (when the value of the investment is equal to at least €1.0 million) of a Strategic Company in any sector covered by the Italian Golden Power Legislation; acquisitions that exceed the thresholds of 15%, 20%, 25% and 50% or that in any case result in the acquisition of control over the relevant Strategic Company are also subject to the reporting obligation; and
- acquisitions, by EU/EEA (including Italian) natural persons or legal entities of control over Strategic Companies in the energy, transport, communication, water, health, financial and agri-food sectors.

The Italian Golden Power Legislation provides for specific sanctions to be applied in case of non-compliance with its provisions, including, among others, administrative pecuniary sanctions up to two times the value of the transaction and in any case not less than 1% (of the company turnover or of the cumulative turnover of the companies involved in the relevant transactions) as resulting from the last financial year for which the financial statements have been approved. In addition, failure to comply with the Italian Golden Power Legislation or with any veto, undertaking, condition and/or other measure imposed by the Italian Golden Power Authority may result in the relevant transaction, act or resolution being unwound or declared null and void.

On 16 October and 2 November 2017, specific provisions regarding corporate governance and organisation were imposed on the TIM Group through two Prime Ministerial Decrees. Among these, the establishment

of a security organisation (the **Security Organisation**) was imposed, which is responsible for activities relevant to national security and involved in all decision-making processes relating to strategic activities and the network. This structure provides that the Security Organisation relies on a security officer, who reports to a member of the board of directors with exclusive responsibility for security.

In addition to the above, by Italian Legislative Decree No. 21 of 21 March 2022, converted into law with amendments by Italian Law No. 51 of 20 May 2022, the Italian Golden Power Legislation was amended, requiring Strategic Companies operating in the telecommunications sector to provide the Italian Golden Power Authority in advance with an annual plan of purchases of goods, including in particular technology-intensive components, and services relating to the design, implementation, maintenance and management of activities regarding broadband communication services based on 5G technology. The said purchases plan is subject to the approval of the Italian Golden Power Authority, possibly with the imposition of undertakings, and can be updated by the relevant Strategic Company on a quarterly basis, subject to a new application to the Italian Golden Power Authority.

Regarding this latter issue, the legislature has renewed its strong focus on the topic of 5G, recognising it as an activity of strategic importance for the national defence and security system. The scope has been extended from non-EU supplies, as referenced in the previous Law No. 41 of 2019, to any 5G-related supply, regardless of the supplier's geographical origin, and the special powers of the State have been redefined.

In particular, the Legislative Decree n. 21/2022 introduced an obligation for companies to notify the Presidency of the Council of Ministers in advance of an annual plan for purchasing 5G technology goods and services, with the possibility of making updates every four months.

The plan is subject to government approval, which may include the imposition of prescriptions or conditions; failure to notify results incurs a penalty for the company of up to 3% of its turnover.

Regarding the annual plans submitted by TIM in July 2022 and May 2023, the Presidency of the Council of Ministers exercised the special powers provided by Article 1-bis of the Golden Power Decree by imposing specific requirements to protect the essential interests of national defence and security.

The 5G 2024 plan submitted to the Authority in August 2024 was approved without prescriptions on 27 September 2024.

The Italian Golden Power Authority may veto or impose undertakings, conditions and/or requirements to consent to the implementation of any transaction, act or resolution falling within the scope of application of the Italian Golden Power legislation. Consequently, following the successful completion of the NetCo Transactions, the right of the TIM Group and FiberCop to pursue resolutions, deeds or commercial or industrial operations which provide for, among other things, the acquisition or subscription of their shares will remain subject to the Italian Golden Power Authority and the Italian Golden Power Legislation. Therefore, the TIM Group and FiberCop may not be authorized to undertake such transactions, acts or resolutions in a timely manner, without restrictions and/or undertakings which may or may not have a material impact.

Anatel classified the TIM Group as an economic group with significant market power in some markets and are now subject to increased regulation.

In July 2018, Anatel published Resolution No. 694/2018, (or the **New PGMC**) revising the general plan for competition goals (Plano Geral de Metas de Competição) (**PGMC 2012**). Under the New PGMC, TIM Group has been classified as having significant market power in the following relevant markets: (i) mobile network; (ii) national roaming; and (iii) high-capacity data transport. Due to such classification, the TIM Group is subject to increased regulation under the New PGMC, which could have an adverse effect on its business financial condition, results of operations and compliance with regulations. In the Brazil national roaming market, the TIM Group must also offer roaming services at regulated rates to other mobile providers.

The TIM Group's radio frequency (**RF**), authorisations for the 800 MHz, 900 MHz, 1,800 MHz and 2,100 MHz bands that it uses to provide PCS services started to expire in September 2007 and are renewable for one additional 15-year period, requiring payment at every two-year period equal to 2% of the prior year's revenue net of taxes, by way of investment under the basic and alternative service plans, which are intended to increase telecommunications penetration throughout Brazil. Anatel has stated that the revenue on which the 2% payment is based should be calculated as including revenues derived from interconnection as well as additional facilities and conveniences. As a result, the TIM Group is currently disputing these RF authorisation renewal payments both administratively and judicially. Although there are administrative procedures still pending on analysis, Anatel has denied the TIM Group's appeals and issued Precedent No. 13, determining that revenues from interconnection as well as additional facilities and conveniences should be considered on the basis of the calculation of the price due to the renewal of the spectrum licences. Judicially, the matter is also still under dispute. In December 2018, under Judgment No. 706 and No. 707, Anatel approved a new radiofrequency revenue segregation methodology to be applied. The application of this new methodology allows the segregation of significant market power revenues by the percentage of radiofrequency extended in relation to the total of existing radiofrequencies, both expressed in the amount of MHz, and addresses part of the dispute about the values to be paid by the TIM Group due in connection with the initial renewal process. After the expiration of the second renewal of radiofrequency use rights, there may be new administrative and judicial discussions and disputes regarding the applicable calculation methodology and deadlines after the approval of Law No. 13,879, of 3 October 2019. The Federal Court of Accounts ruled that such renewal process may be subject to a new bidding procedure. However, Anatel has granted the TIM Group and other competitors extensions for shorter terms until a decision has been made on how to proceed with the radiofrequency use rights.

Finally, both of the above aspects are under revision by Anatel: the Spectrum Use Regulation (**RUE**), which must rely on a "use it or share it" principle to ensure spectrum usage in a secondary basis; in addition to the revision of the PGMC Regulation, in order to create a new significant market power for the radio access network (RAN) sharing agreements. Anatel is assuming that these initiatives could leverage the competition in the mobile market. However, there can be no assurance that the actual outcome of the revision undertaken by Anatel and/or the factual implementation of these new regulations may bring the expected results.

The TIM Group operates under authorisations granted by government authorities and has to satisfy certain obligations in order to maintain such authorisations.

Many of the TIM Group's activities require authorisations from governmental authorities both in Italy and abroad. These authorisations specify the types of services the operating company holding such authorisation

may provide. The continued existence and terms of the TIM Group's authorisations are subject to review by regulatory authorities and to interpretation, modification or termination by these authorities. In addition, its current authorisations to provide networks and services require that the TIM Group satisfies certain obligations, including minimum specified quality levels, service and coverage conditions. Failure to comply with these obligations could result in the imposition of fines or even in the revocation or forfeiture of the authorisation. In addition, the need to meet scheduled deadlines may require it to expend more resources than otherwise budgeted for a particular network build-out. If the TIM Group fails to renew any of its licences, permits, or authorisations, the TIM Group's ability to effectively operate relevant businesses may be materially and adversely affected. The procedure to obtain licences, permits, and authorisations (and renewals thereof) may be complex, lengthy, expensive and may require ongoing compliance with various obligations. Moreover, even if the TIM Group obtains the renewal of its licences, permits, and authorisations, the costs for obtaining those might be higher than those it expected. Finally, if the TIM Group fails to comply with the requirements of the applicable legislation and regulatory framework in general, which are very detailed and complex in nature, its authorisations may be suspended or terminated, or significant fines imposed.

Additional authorisations may also be required if the TIM Group expands its services into new product areas, and such authorisations may be related to auctions (e.g., in the assignment of spectrum right of use) or otherwise prove expensive or require significant cash outlays, or have certain terms and conditions, such as requirements related to coverage and pricing, with which the TIM Group may not have previously had to comply.

In Brazil, the TIM Group also operates under an authorisation regime and, as a result, it is obliged to maintain minimum quality and service standards. In December 2019, Anatel approved the new Telecommunications Services Quality Regulation (**RQUAL**), based on reactive regulation. In this new model, quality is measured based on three main indicators – a Service Quality Index, a Perceived Quality Index and User Complaints Index – and operators are classified into five categories (A to E). Under this regulation, Anatel may take measures according to specific cases, such as consumer compensation, adoption of an action plan or adoption of preventive measures to ensure improvements in quality standards, generating a risk of impact on planned investment volumes, expected revenues and potential penalties. Following a joint effort by Anatel, operators, and the Quality Assurance Support Authority to define the objectives, criteria and reference values of the indicators by the end of November 2021, Anatel's board of directors formalised the reference documents supporting this regulation: the Operational Manual and the Reference Values; and established the entry into operational effectiveness on 1 March 2022.

The TIM Group's activities could be materially negatively affected by failure to comply with GDPR and Italian Privacy Code.

In the ordinary course of business, the TIM Group processes personal data on customers, business partners, employees, users, third parties and others and therefore it must comply with strict data protection and privacy laws and regulations. Any processing of personal data of individuals located in the EEA in the course of the provision of services is governed by European data protection laws and regulations, which restrict its ability to collect, process and use personal data relating to customers, potential customers, business partners, and employees, including for marketing purposes.

Such laws and regulations concern the collection, use, retention, security, processing and transfer of personal data. In particular, starting from 25 May 2018, the TIM Group's operations are subject to the provisions of Regulation (EU) 2016/679 of 27 April 2016 (**GDPR**) and to the Italian Legislative Decree No. 196/2003, as amended by Italian Legislative Decree No. 101/2018, which adapted Italian rules to GDPR (**Italian Privacy Code**). The GDPR increased both the number and the restrictive nature of the obligations binding the TIM Group, in particular with respect to the collection, processing and use of personal data. Such obligations include, for example, (i) the processing of personal data in accordance with the transparency, data minimisation, accuracy, storage limitation, security and confidentiality principles, (ii) the ability to demonstrate compliance with such principles (accountability), (iii) the obligation to identify a legal basis before the processing, (iv) the obligation to ensure the rights of data subjects, such as, among others, the right of access, the right to rectification and the right to erasure (which would require the TIM Group to permanently delete a user's personal data in certain circumstances) and (v) more onerous consent requirements, as consent will always have to be express/opt-in, while implied/opt-out consent has at times been deemed sufficient under the former regime. The GDPR obligates companies to implement several formal processes and policies as well as to review and document the data protection implications of the development, acquisition, or use of all new products, technologies, or types of data. The GDPR, *inter alia*, provides for significant applicable maximum fines, up to the higher of (i) €20 million or (ii) 4% of annual global turnover per breach, as opposed to fines of less than €1 million under the former regime. The fine may be imposed instead of, or in addition to, measures that may be ordered by supervisory authorities (such as the request to cease processing). In addition, according to the Italian Privacy Code, certain criminal sanctions could be applied to individuals involved in unlawful processing activities.

The regulatory environment governing the TIM Group's use of data relating to identifiable individuals (customers, employees and others) is complex. Privacy and information security laws and regulations change frequently, and compliance with such laws and regulations may require the TIM Group to incur significant costs to make necessary systems changes and implement new administrative processes.

The TIM Group has executed a deep gap analysis, identified the main issues, and consequently planned and deployed a master plan to reach full compliance with the GDPR requirements as well as with the Italian Privacy Code. It constantly monitors regulatory developments, measures and opinions adopted by the Italian Data Protection Authority (*Autorità Garante per la Protezione dei Dati Personali*) and adopts all the necessary initiatives needed to fulfil compliance with the aforementioned provisions. The TIM Group, in this context, is also committed in maintaining and verifying continuously the effectiveness of the adopted controls and engages in communications with the Italian Data Protection Authority with respect to data security matters where it deems necessary or advisable.

To ensure that the processing of personal data within the TIM Group complies with the GDPR and the Italy Privacy Code, all necessary initiatives are undertaken.

TIM's operational processes have been adapted according to the privacy-by-design principle, with particular focus on commercial processes, customer relations, and technological processes, adopting the methods defined by corporate regulations dedicated to the application of the GDPR and the provisions of the Data Protection Authority.

Processing activities involving personal data that pose particular risks are subject to a preliminary privacy impact assessment (PIA) following the guidelines of the European Data Protection Board (EDPB). These processes are documented, and the corresponding responsibilities are assigned to the appropriate managerial level within the company's organisation, as stipulated by the Italian Privacy Code in implementation of the accountability principle established by the GDPR.

The TIM Group constantly monitors regulatory developments, measures, and opinions issued by the Data Protection Authority, takes all necessary initiatives to comply with these provisions, and conducts checks on processes/activities deemed to be at higher risk.

However, the risk of deficiencies in implementing security measures, in fulfilling legal requirements on data processing, in applying rules on data retention, in notifying data breaches within the narrow mandatory timeframes could lead to disputes with the Italian Data Protection Authority and to be sanctioned with heavy fines. Any failure, or perceived failure, by the TIM Group to comply with any applicable data protection laws and regulations could result in proceedings, investigations or actions (including class actions) brought against it by governmental entities, or agencies; or private individuals or entities, and in significant fines, penalties, judgments and reputational damages to the TIM Group business, requiring it to change business practices and increasing the costs and complexity of compliance, any of which could materially adversely affect its business, financial condition, results of operations and prospects. Moreover, the risk of personal data breaches can lead to disputes with the interested data subjects. Even the perception of data protection and privacy concerns, whether or not valid, may harm the TIM Group's reputation and inhibit its business with current and future customers, which could have an adverse effect on its business, financial condition and results of operations.

The TIM Group's activities could be materially negatively affected by failure to comply with Brazilian Data Protection Laws.

The TIM Group's operations and reputation could be materially negatively affected by cyber-security threats or its failure to comply with new data protection laws, mainly the Brazilian General Data Protection Law (Law No. 13,709/2018) (**LGPD**), which came into effect on 18 September 2020, following the President of Brazil's veto of Article 4 of Provisional Measure No. 959/2020, which established that the LGPD would only come into effect on 3 May 2021. However, the administrative sanctions provisions of LGPD only became enforceable as of 1 August 2021, pursuant to Law No. 14,010/2020. Any proceeding or action and related damages could be harmful to the TIM Group's reputation, force it to incur significant expenses, divert the attention of its management, increase its costs of doing business or result in the imposition of financial penalties.

In addition, Decree No. 10,474/2020 created the regulatory agency of the National Data Protection Authority (**ANPD**). The ANPD must ensure the protection of personal data and will deal with cases regarding commercial and industrial secrets in Brazil. ANPD is also responsible for developing guidelines for the Protection of Personal Data and Privacy National Policy and for inspecting and applying sanctions in the event of data breaches according to resolution cd/ANPD No. 1, of 28 October 2021.

Moreover, ANPD can issue regulations and procedures to protect personal data and privacy, as well as being responsible for assessing the impact of personal data protection in scenarios that may be deemed as a high risk to personal data protection principles. As a result of ANPD's new regulations and procedures, the TIM

Group may be required to change its business practices and implement additional measures to adapt its personal data processing activities. This could adversely affect the TIM Group's business, financial condition, or results of operations. The TIM Group cannot assure potential investors that its LGPD compliance efforts will be deemed appropriate or sufficient by regulatory authorities or by courts. The TIM Group is carrying out a continuous assessment to identify any problems and based on the results identified, it has implemented controls in order to achieve full compliance with the requirements of the LGPD. However, deficiencies in the full adoption of data security measures, implementing personal data processing and retention requirements and reporting data measures within a narrow mandatory time frame could lead to disputes with data protection authorities, fines or harm to the TIM Group's reputation.

Sophisticated information and processing systems are vital to the TIM Group's growth and its ability to monitor costs, render monthly invoices, process customer orders, provide customer service and achieve operating efficiencies. The TIM Group cannot assure that it will be able to successfully operate and upgrade its information and processing systems or that it will continue to perform as expected without any failure. A severe failure in its accounting, information and processing systems could impair its ability to collect payments from customers and respond satisfactorily to customer needs, which could adversely affect the TIM Group's business, financial condition and results of operations.

EU regulation of the levels of roaming charges may in the future have a material adverse effect on the TIM Group's business.

EU regulators have imposed price caps applicable to all operators in the EU at wholesale level. In particular, the European Regulation (EU) No. 2022/612 provides for a decreasing glide path for the maximum wholesale prices for roaming mobile services culminating with maximum prices for voice, SMS and data services, respectively, of € 1.9 cent/min, € 0.3 cent/SMS and 1 €/GB.

Although the above-mentioned maximum wholesale charges shall remain valid until 30 June 2032, a certain level of uncertainty stems from the review of the Roaming Regulation that the EU Commission shall evaluate in 2025 and that could lead to further caps reductions. In general terms, reduction of prices of mobile roaming services, may have a material adverse effect on the TIM Group's business, financial condition and results of operations.

Actual or perceived health risks or other problems relating to mobile handsets or transmission masts could lead to litigation or decreased mobile communications usage.

The effects of, and any damage caused by, exposure to an electromagnetic field were and are the subject of careful evaluations by the international scientific community, but until now there is no scientific evidence of harmful effects on health. The allocation of the frequencies required for rolling out and operating 5G networks have heightened the public debate and concerns about this issue. The TIM Group cannot rule out that exposure to electromagnetic fields or other emissions originating from wireless handsets will not be identified as a health risk in the future.

The TIM Group's mobile communications business may be harmed as a result of these alleged health risks. For example, the perception of these health risks could result in a lower number of customers, reduced usage per customer, prevent the installation of mobile communication masts and wireless networks, affect network rollouts and the deployment of higher frequencies in the TIM Group networks, generate additional costs or

investment, or result in potential claims and litigations. See also “—*The TIM Group may be subject to claims and penalties relating to the health and safety of its employees or of third parties.*” Additionally, as the TIM Group holds mobile communications licences, in light of the concerns about the potential health effects that could arise from exposure to mobile telecommunications equipment, it faces the risk that lawsuits may be filed against it in relation therewith. Further, the TIM Group installations, and particularly its 5G installations, may be subject to attack by members of the public.

Although laws already impose strict limits in relation to transmission equipment, these concerns may cause regulators to impose greater restrictions on the construction of radio base station towers or other infrastructure, which may hinder the completion of network buildouts and the commercial availability of new services and may require additional investments.

The TIM Group is exposed to risks in connection with fraud.

The TIM Group is exposed to risks in connection with fraud. For example, it is subject to the risk of customers attempting to benefit from its services or goods without paying for them. In view of the large number of invoices that the TIM Group issue and the volume of its payment transactions, such fraud could represent heavy financial losses.

The TIM Group is also exposed to risks of fraud with potentially material adverse effects should such risks materialise. In today’s environment of increasingly complex technologies, more virtual networks and faster implementation of new services and new applications, cases of fraud may arise that are more difficult to detect or control. Traditional phenomena such as subscription, interconnection, and commercial fraud currently account for the largest share of revenue loss and will continue to be significant in the near future. However, new types of 'internet-style' fraud are progressively gaining prominence (e.g., Internet spamming/phishing, service reselling, VoIP bypass). Additionally, certain specific types of services offered (e.g., wholesale international interconnection, voice or data services, premium services) are susceptible to the potential risk of misuse by third parties for constructing fictitious transaction schemes, serving tax fraud and/or international money laundering activities.

For example, on 29 February 2024, the TIM Group was served with an order of seizure issued on 2 February 2024 by the preliminary investigation judge (*giudice per le indagini preliminari*) of the Court of Milan carrying out a preventive seizure (*sequestro preventivo*) of the sums held in the TIM Group’s bank accounts amounting to approximately €249.0 million. Such preventive measure related to an alleged cyber fraud (*frode informatica*) pursuant to Italian criminal law allegedly conducted by Content Service Providers in the context of value-added services. Since becoming aware of these irregularities in 2019, TIM proactively reported the matter to the Public Prosecutor’s Office of Rome. Following the investigation, these facts were determined to be a fraud committed against TIM. Nonetheless, TIM has taken swift action to safeguard its customers by refunding all known irregular activations and blocking any value-added services found to be affected by irregular activations. The TIM Group is not under investigation in these proceedings, however, any similar alleged case of fraud or any related criminal investigation in the aggregate could have a material adverse effect on the TIM Group’s business, reputation, results of operation and financial condition.

The TIM Group’s organisational policies and procedures embodied in the organisational model adopted pursuant to Italian Legislative Decree 231/2001 may be insufficient to prevent fraud and

may fail to prevent certain officers or employees from engaging in unlawful conducts, for which TIM Group could be liable.

Any contact by the TIM Group's directors, employees, agents or partners with the public administration or procurement officers of private clients (including in the context of participations in auctions, interactions held with the public administration in the process of obtaining or renewing any authorisation or licence and any possible public contribution) involves risks associated with fraud, bribery, corruption, incorrect use of public contributions and other fraudulent activities by the TIM Group's employees and related investigations.

The TIM Group is also exposed to the risk that its directors, employees or agents commit IT related crime, which may consist of using the TIM Group's infrastructure to violate the IT systems of its competitors, unlawful access to banking data (including that of its customers) and damages to the IT systems and documents. In addition, the TIM Group may be subject to claims in connection with damage to property, business interruptions, unauthorized use of property, unauthorized entry or breach of security protocols, negligence, wilful misconduct or other tortious acts by its employees or people who have gained unauthorized access to premises operated by the TIM Group. Such claims may be substantial and may result in adverse publicity for the TIM Group. The TIM Group's business activities may also involve risks related to possible accidents, which may be due to its employees' activities or mistakes and may consist in crimes, breaches of security measures, damages to third parties or manslaughter.

The TIM Group has put in place an organisational model pursuant to Italian Legislative Decree 231/2001, in order to create a system of rules capable of preventing certain forms of unlawful conduct by senior management, executives and employees generally that might result in liabilities for it. The organisational model is adopted by TIM and by its Italian subsidiaries. A specific version of the organisational model has been adopted by the TIM Group pursuant to the anti-corruption Brazilian law (Law 12.846/13) and aligns with Legislative Decree No. 231/2001 of Italy, and international standards on anti-corruption, such as the Foreign Corrupt Practices Act and the UK Bribery Act 2010.

The TIM Group has also implemented, and will continue to maintain in force, policies, procedures, systems, and controls designed to ensure compliance by its directors, employees, consultants, partners, agents and third-party agents, representatives and intermediaries with applicable anti-bribery and anti-corruption legislation.

The organisational model is continuously reviewed and kept up to date to reflect changes in operations and in the regulatory environment. The TIM Group has established a 231 Steering Committee (management committee composed of Group Compliance Officer, the Chief Human Resources & Organisation Office, the General Counsel and the Audit Director as listener) to prepare and consider proposals for changes to the model, for submission to the board of directors for approval.

Notwithstanding the existence of this model or any updates that the TIM Group may make to it, there can be no assurances that it will function as designed, or that it will be considered adequate by any relevant legal authority. Further, the TIM Group may be unable to detect or prevent every instance of unlawful conduct involving its directors, employees, consultants, partners, agents and third-party agents' representatives and intermediaries and/or may fail to adequately update and implement such policies, procedures, systems and

controls. The TIM Group's monitoring systems may not be sufficient to prevent, detect and identify inadequate practices and violation of law by such individuals.

In particular, pursuant to Italian Legislative Decree 231/2001, the TIM Group may be held responsible for certain crimes committed in Italy or abroad including, among others, bribery, money laundering, corruption (including among private individuals), anti-competitive behaviour, fraud against the state, corporate offenses, market abuse, certain tax and customs violations, and certain environmental and workplace safety violations in the TIM Group's interest or for the TIM Group's benefit, by individuals having a functional relationship with the TIM Group at the time the relevant crime was committed, including third-party agents, partners or intermediaries, unless the TIM Group is able to prove that such individuals fraudulently violated the internal control model and it was reasonably not possible for the TIM Group to avoid such violation. Liability, on top of minor administrative fines, may also attach in case the TIM Group fails to adequately implement a whistleblowing system and/or to follow up on whistleblowing reports according to applicable requirements, including Directive (EU) 2019/1937 on the protection of persons who report breaches of Union Law, and Italian Legislative Decree No. 24/2023. In such circumstances, the TIM Group may be subject to pecuniary fines, confiscation of profits or disqualifying sanctions (which could be applied also as interim measures during the investigations), including, subject to certain conditions being met, the termination of authorisation, permits, licences, concessions and financing arrangements, including facilitated financing, the suspension of the TIM Group's operations, or prohibitions on contracting with public authorities. The duration of these disqualifications could range from a minimum of three months to a maximum of two years, although in very serious cases, some of these disqualifications can be applied for a longer duration period. As an alternative to the disqualifying sanctions, the court may appoint a judicial custodian to run the company, with the consequence that the profits gained during the receivership period are automatically confiscated.

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

The TIM Group is involved in disputes and litigation with regulators, competition authorities, competitors and other parties, including its shareholders, and is the subject of a number of investigations by judicial authorities, the ultimate outcome of which is generally uncertain.

The TIM Group is subject to numerous risks relating to legal (civil and criminal), tax, competition and regulatory (including health and safety) proceedings in which it is currently a party, or which could develop in the future. It is also the subject of a number of investigations by judicial authorities. The TIM Group is also subject to a number of public civil actions and class actions that have been brought against mobile telecommunications providers in Brazil mainly relating to network quality, the expiration of prepaid usage credits, minimum term clauses, subscription fees, quality of service and the use of land to install the TIM Group's network sites. These suits include claims contesting certain aspects of the fee structure of the TIM Group's prepaid plans, hybrid (monthly billed fixed price), or so-called control plans and postpaid plans, which are commonplace in the Brazilian telecommunications industry. Additionally, federal, state and municipal tax authorities have questioned some tax procedures that the TIM Group has adopted and has raised questions regarding the calculation of the basis for certain sector-specific contributions. Moreover, there are tax proceedings arising from the acquisition of the former Intelig business (currently TIM S.A.) by the former parent company of the TIM Participações group, relating to the purchase price.

Furthermore, the TIM Group, and possibly also its directors and officers, may be subject to legal (civil and criminal) proceedings, such as derivative and direct suits from TIM's shareholders, which may challenge an action, or inaction, taken by TIM alleging an infringement of corporate purposes and/or a denial of shareholders' rights. For example, on 15 December 2023, Vivendi started legal proceedings before the Court of Milan challenging the validity and effectiveness of TIM's board resolution of 5 November 2023, which approved the NetCo Transactions and the Transaction Agreement. Vivendi argued that the NetCo Transactions required an amendment to TIM's corporate purposes approved by an extraordinary shareholders' meeting. Vivendi also contended that the resolution should have required shareholders' approval due to the alleged significant structural changes that will cause to TIM's activities. Vivendi also alleged the violation of the related party transactions procedure. Should Vivendi successfully prove the alleged violation of Italian corporate law, it could materially adversely affect the TIM Group's governance and reputation, even though on 14 January 2025, the Court of Milan declared inadmissible the appeal presented by Vivendi, but Vivendi has announced its intention to appeal this decision.

Such proceedings and investigations are inherently unpredictable. In addition, as a result of certain alleged antitrust violations, the TIM Group may be subject to customers, competitors or other third parties' lawsuits for damages or out-of-court requests, which could result in significant liabilities. Legal, tax, competition and regulatory proceedings and investigations in which the TIM Group is, or may become, involved (or settlements thereof) may, individually or in the aggregate, have a material adverse effect on the TIM Group's results of operations and/or financial condition and cash flows in any particular period. Furthermore, its involvement in such proceedings and investigations may adversely affect its reputation.

If TIM, or another TIM Group company, faces an adverse decision in any of the legal proceedings to which it is a party, and is ordered to pay amounts greater than what it has recognized to cover potential liabilities, it may face adverse effects with respect to it and/or the TIM Group's operations, financial position, income statement and cash flows.

The final outcomes of those proceedings are generally uncertain. In recognizing potential liabilities, the TIM Group takes into consideration the risks connected with each dispute and the relevant accounting standards, which require reserves to be recognized where liabilities are probable and can be estimated reliably. The provisions represent an estimate of the financial risk connected with the particular proceedings, in line with the relevant accounting standards. Nonetheless, the TIM Group may be obligated to meet liabilities linked to unsuccessful outcomes for proceedings that were not taken into consideration when calculating those reserves and the provisions made may not be sufficient to fully meet such obligations through use of its reserves. If any material disputes are resolved against the TIM Group, they could, individually or in the aggregate, have a material adverse effect on the TIM Group's results of operations, financial condition and cash flows (See: "*Litigation*").

Failure to protect the TIM Group's image, reputation and brand could materially affect the TIM Group's business.

The TIM Group's success depends on its ability to maintain and enhance the image and reputation of its companies, of its existing products and services and to develop a favourable image and reputation for new products and services. The image and reputation of its products and services may be reduced in the future if

concerns about the quality, reliability and cost-benefit analysis of its products and services, the quality of its support centres, the environmental footprint of its business and its capability to deliver to its customers the level of services advertised are raised, even if such concerns are unfounded, could tarnish its image and reputation of the image and reputation of its products and services. Restoring its image and reputation or that of its products and services may be costly and not always possible. Any of the above factors could have a material impact on the TIM Group's business, financial condition and results of operations.

The use of Internet by the TIM Group's customers could cause it to suffer losses and adversely affect its reputation.

Pursuant to applicable Italian regulation, the TIM Group, as a host and provider of data transmission services, is required to inform competent authorities without delay of any alleged illegal or illicit activity by its customers of which it is aware. The TIM Group must also provide the authorities with any information it has identifying such customers. Any failure to comply with this obligation could cause it to become involved in civil proceedings or could harm public perception of its brand and services. Any such event could result in legal and/or regulatory proceedings.

The TIM Group is exposed to the risk of labour disputes.

The acceleration in technological transformation in the telecommunications sector has created the need to address integrated organisational review activities, digitalisation of processes and adaptation of the skills and capabilities of all staff members.

Overall, the TIM Group has a good relationship with its workers and trade unions. However, there can be no assurance that the TIM Group's workers and trade unions will be fully satisfied with the Acquisition. Furthermore, material labour disputes may occur, having a material adverse impact on the TIM Group's operations.

The TIM Group may be subject to claims and penalties relating to the health and safety of its employees or of third parties.

The TIM Group's operations are subject to environmental as well as health and safety laws and regulations, including those concerning occupational health. In most cases, the TIM Group is responsible for the safety of its personnel as well as any external worker operating at its premises and the general health wellbeing of its customers' employees and patrons who may work or do business nearby. If the TIM Group fails to implement safety procedures or if the procedures the TIM Group implements are ineffective, its employees and others may become injured. Health and safety risks include the possibility of injuries caused by unsafe working conditions or unforeseen accidents, as well as the risk of occupational diseases due to exposure to harmful substances or work-related stress. The TIM Group may incur significant costs, including fines, penalties (including operational bans), civil, criminal (also pursuant to Italian Legislative Decree No. 231/2001) and administrative sanctions as a result of violations of, or liabilities under the applicable health and safety laws and regulations. Under applicable Italian law, when workers become injured in connection with their duties and as a result are absent from work for more than 40 days, the relevant public prosecutor must open an investigation into workplace safety and, depending on the circumstances, may bring criminal

proceedings against the TIM Group, its local officer entrusted with workplace safety or against its management or chief executive officer.

Incidents or similar occurrences may damage the TIM Group's reputation and negatively affect its reputation and result in criminal and/or administrative liability, including pursuant to Italian Legislative Decree No. 231/2001. See also "*—Risks Related to the TIM Group's Business Activity and Industry— Actual or perceived health risks or other problems relating to mobile handsets or transmission masts could lead to litigation or decreased Mobile Communications usage.*" and "*—the TIM Group's organisational policies and procedures embodied in the organisational model adopted pursuant to Italian Legislative Decree 231/2001 may be insufficient to prevent fraud and may fail to prevent certain officers or employees from engaging in unlawful conducts, for which the TIM Group could be liable.*"

To mitigate these risks, the company ensures compliance with legislative provisions regarding health and safety in the workplace. This includes assessing the risks to workers' safety and health with the aim of progressively reducing them to a minimum and preparing the Risk Assessment Document. The company adopts principles, standards, and solutions aimed at achieving "zero workplace injuries" by implementing preventive measures and verifying their adequacy and effectiveness.

Raising awareness and involving employees in health and safety policies and objectives, along with training and informing them about the risks and control measures adopted, are considered fundamental tools for mitigating such risks.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME

4. Risks related to the structure of a particular issue of Notes.

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

If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.

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

If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned.

Fixed/Floating Rate Notes to which Condition 5.4 (*Change of Interest Basis*) applies are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”.

Interest rates and indices which are deemed to be “benchmarks” (including EURIBOR) are the subject of national and international regulatory guidance reform aimed at supporting the transition to robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from LIBOR), and “benchmarks” remain subject to ongoing monitoring. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences

which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a “benchmark”.

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of “benchmarks” of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a “benchmark”, in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements.

Such factors may have (without limitation) the following effects on certain “benchmarks”: (i) discouraging market participants from continuing to administer or contribute to a “benchmark”; (ii) triggering changes in the rules or methodologies used in the “benchmark” and/or (iii) leading to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a “benchmark”.

The “*Terms and Conditions of the Notes*” provide for certain fallback arrangements in the event that a published benchmark (including any page on which such benchmark may be published (or any successor service)) becomes unavailable or a Benchmark Event (as defined in the Conditions) otherwise occurs, including the possibility that the rate of interest could be set by reference to a Successor Rate or an Alternative Rate determined by an Independent Adviser in consultation with the Issuer, without any requirement for the consent or approval of the Noteholders and Couponholders, and that such Successor Rate or Alternative Rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. In certain circumstances the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark

replacement provisions of Notes in making any investment decision with respect to any Notes referencing a benchmark.

For the avoidance of doubt, the fallback arrangements referred to above do not apply when SOFR has been specified as the applicable reference rate in the Final Terms of the relevant Notes.

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes.

The use of risk-free rates, including the Secured Overnight Financing Rate (**SOFR**), as reference rates for Eurobonds continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Terms and Conditions and used in relation to Notes that reference risk-free rates issued under this Programme. The Issuer may in the future also issue Notes referencing to SOFR or SOFR Compounded that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Notes, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. International Working Groups have identified various TERM rates (including SOFR) for EURIBOR. If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

The administrator of SOFR or any related indices may make changes that could change the value of SOFR or any related index or discontinue SOFR or any related index.

The Federal Reserve or Bank of New York (or its successors) may make methodological or other changes that could change the value of the relevant risk-free rate and/or related indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SOFR or timing related to the publication of SOFR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SOFR or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

Risk-free rates may differ from LIBOR and other interbank offered rates in a number of material respects and have a limited history.

Risk-free rates may differ from The London Interbank Offered Rate (**LIBOR**) and other interbank offered rates in a number of material respects. These include (without limitation) being backwards-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

5. Risks related to the structure of all Notes issued under the Programme

Set out below is a description of material risks relating to the structure of all Notes issued under the Programme.

The Conditions contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders.

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

The Conditions also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, 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 Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 15.

The value of the Notes could be adversely affected by a change in English law or administrative practice.

The Conditions are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus and any such change could materially adversely impact the value of any Notes affected by it.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued.

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified

Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

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

6. Tax risks related to all Notes issued under the Programme

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

The TIM Group is required to pay taxes in multiple jurisdictions in which it operates. The TIM 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, the TIM 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 TIM Group and its ability to service the obligations under its indebtedness, including the Notes, may be adversely affected by new laws or changes in the interpretation of existing tax laws.

For example, the Organisation for Economic Co-operation and Development (**OECD**)/G20 Inclusive Framework has been working on addressing the tax challenges arising from the digitalization of the economy, including by releasing the OECD's Pillar One and Pillar Two blueprints on 12 October 2020. Pillar Two (**Pillar Two**) establishes a minimum tax to be paid by multinational enterprises. On 15 December 2022, the Council of the EU formally adopted Directive (EU) 2022/2523 (the **Pillar Two Directive**) to achieve a coordinated implementation of Pillar Two in EU Member States consistent with EU law. The Pillar Two has been implemented into Italian law pursuant to Law of 9 August 2023, No. 111, as implemented by Legislative Decree of 27 December 2023, No. 209 (**Law 111/2023**). This measure will ensure that multinational enterprises that are within the scope of the Pillar Two rules will always be subject to a corporation tax rate of at least 15 per cent.

The TIM Group is closely monitoring these developments, but does not currently expect that it will be affected by Pillar One implementing measures (subject to clarity on final regulations). However, the TIM Group is a Multinational Enterprise within the scope of the Pillar Two Directive implementing legislation and, more generally, to the Pillar Two legislation in other OECD countries of presence following its implementation. As a result of such implementation, such legislation may increase the TIM Group's tax compliance requirements.

Furthermore, Law 111/2023 delegates power to the Italian government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the tax reform of the tax system. According to Law 111/2023, the tax reform may significantly change the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be assessed or predicted with certainty at this stage. The information provided in this Base Prospectus may not reflect the future tax landscape accurately. Noteholders should be aware that the amendments that may be introduced to the tax regime of financial incomes and capital gains could increase the taxation on interest, similar income and/or capital gains accrued or realised under the Notes and could result in a lower return of their investments.

Risks relating to the pending Italian tax reform.

Law 111/2023 delegates power to the Italian Government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the tax reform of the tax system. According to Law 111/2023, the tax reform may significantly change the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be entirely quantified or foreseen with certainty at this stage as currently not all laws and legislative decrees needed to implement such tax reform have been enacted. The information provided in this Base Prospectus may not therefore reflect the future tax landscape accurately. Noteholders should be aware that the amendments that may be introduced to the tax regime of financial incomes and capital gains could increase the taxation on interest, similar income and/or capital gains accrued or realised under the Notes and could result in a lower return of their investments.

7. Risks related to the market of the Notes

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

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

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

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

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

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

The value of Fixed Rate Notes may be adversely affected by movements in market interest rates.

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes.

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes. 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 Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

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

Investors regulated in the UK are subject to similar restrictions under Regulation (EC) No. 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the **UK CRA Regulation**). As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

The following information which has previously been or is published simultaneously with this Base Prospectus shall be incorporated by reference in, and to form part of, this Base Prospectus:

- the English translation of the press release dated 23 October 2024 headed “*TIM: GDF Search Confirmed, Company will Cooperate with Inquiries*” available at: <https://www.gruppotim.it/content/dam/gt/press-archive/corporate/2024/PR-TIM-24-october.pdf>,
- the English translation of the press release dated 23 October 2024 headed “*TIM: BOD Takes Note of Prosecutor’s Investigation, Company not Involved and Injured Party*” available at <https://www.gruppotim.it/content/dam/gt/press-archive/corporate/2024/PR-BOD-24-10.pdf>;
- the English translation of the press release dated 17 February 2025 headed “*TIM Enters the Energy Market with a 100% Renewable Offer*” available at: <https://www.gruppotim.it/content/dam/gt/press-archive/corporate/2025/PR-TIM-Energia-17-02-25.pdf>;
- the English translation of the press release dated 27 February 2025 headed “*Italy’s TIM Group Partners with ADIO for Regional Headquarters in Abu Dhabi*” available at: <https://www.gruppotim.it/content/dam/gt/press-archive/corporate/2025/PR-TIM-ADIO-27-02-2025.pdf>,

(together, the **Press Releases**);

- the English translation of the Audited Consolidated Financial Statements as of and for the financial year ended 31 December 2024 of the TIM Group (available at <https://www.gruppotim.it/content/dam/gt/investitori/doc---report-finanziari/2024/Annual%20report%202024.pdf>, the **TIM 2024 Consolidated Financial Statements**), together with the English translation of independent auditors' reports as included on those pages specified below;
- the English translation of the Audited Consolidated Financial Statements as of and for the financial year ended 31 December 2023 of the TIM Group (available at <https://www.gruppotim.it/content/dam/gt/investitori/doc---report-finanziari/2023/TIM-Annual-Report-2023.pdf> , the **TIM 2023 Consolidated Financial Statements**), together with the English translation of independent auditors' reports as included on those pages specified below;

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 Base Prospectus to the extent that a statement contained in any such 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 Base Prospectus. Any other information incorporated by reference that is not included in the cross-reference list below, is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Delegated Regulation.

The following Press Releases are incorporated by reference herein in their entirety:

Information incorporated by reference

Location

“TIM: GDF Search Confirmed, Company will Cooperate with Inquiries”	All
“TIM: BOD Takes Note of Prosecutor’s Investigation, Company not Involved and Injured Party”	All
“TIM Enters the Energy Market with a 100% Renewable Offer”	All
“Italy’s TIM Group Partners with ADIO for Regional Headquarters in Abu Dhabi”	All

The following information from the Issuer’s annual reports is incorporated by reference, and the following cross-reference lists are provided to enable investors to identify specific items of information so incorporated:

Document	Information incorporated	Location
TIM 2024 Consolidated Financial Statements	Report on Operations - Main changes in the regulatory framework	pp. 36-55
	Alternative Performance Measures	pp. 97-98
	Macro-Organization Chart as at 31 December 2024	p. 123
	Financial information concerning TIM Group’s assets and liabilities, financial position and profits and losses:	
	Consolidated Statements of Financial Position	pp. 280-281
	Separate Consolidated Income Statements	p. 282
	Consolidated Statements of Comprehensive Income	p. 283
	Consolidated Statements of Changes in Equity	p. 284
	Consolidated Statements of Cash Flows	pp. 285-286
	Notes to the Consolidated Financial Statements	pp. 287-410
Certification of the Consolidated Financial Statements Pursuant to art. 81-ter of the Consob Regulation 11971 dated 14 May	p. 411	

Document	Information incorporated	Location
	1999, with Amendments and Additions	
	Independent Auditors' Report	pp. 412-422
TIM 2023 Consolidated Financial Statements	Alternative Performance Measures	pp. 104-105
	Macro-Organization Chart as at 31 December 2023	p. 132
	Financial information concerning TIM Group's assets and liabilities, financial position and profits and losses:	
	Consolidated Statements of Financial Position	pp. 135-136
	Separate Consolidated Income Statements	p. 137
	Consolidated Statements of Comprehensive Income	p. 138
	Consolidated Statements of Changes in Equity	p. 139
	Consolidated Statements of Cash Flows	pp. 140-141
	Notes to the Consolidated Financial Statements	pp.142-265
	Certification of the Consolidated Financial Statements Pursuant to art. 81-ter of the Consob Regulation 11971 dated 14 May 1999, with Amendments and Additions	p. 266
	Independent Auditors' Report	pp. 267-277

In addition to the above, the following information shall be incorporated in, and form part of, this Base Prospectus as and when it is published on the website of the Issuer (<https://www.gruppotim.it/en/investors/reports-presentations/financial-reports.html>):

- the information set out in the following sections of any annual report published by the Issuer after the date of this Base Prospectus, including the auditors' report and audited consolidated and non-consolidated annual financial statements of the Issuer:

Report on Operations - Main changes in the regulatory framework

Alternative Performance Measures

Macro-Organization Chart

Financial information concerning TIM Group's assets and liabilities, financial position and profits and losses:

Consolidated Statements of Financial Position

Separate Consolidated Income Statements

Consolidated Statements of Comprehensive Income

Consolidated Statements of Changes in Equity

Consolidated Statements of Cash Flows

Notes to the Consolidated Financial Statements

Certification of the Consolidated Financial Statements Pursuant to art. 81-ter of the Consob Regulation 11971 dated 14 May 1999, with Amendments and Additions

Independent Auditors' Report

- the information set out in the following sections of any interim consolidated report published by the Issuer after the date of this Base Prospectus:

Consolidated Statements of Financial Position

Separate Consolidated Income Statements

Consolidated Statements of Comprehensive Income

Consolidated Statements of Changes in Equity

Consolidated Statements of Cash Flows

Notes to the Half-Year Condensed Consolidated Financial Statements

Certification of the Half-Year Condensed Consolidated Financial Statements Pursuant to art. 81-ter of the Consob Regulation 11971 dated 14 May 1999, with Amendments and Additions

Independent Auditors' Report on the limited audit of the Half-Year Condensed Consolidated Financial Statements

Information incorporated by reference pursuant to items above which is inconsistent with statements contained in this Base Prospectus shall be deemed to modify or supersede such statements.

This Base Prospectus and the documents incorporated by reference herein will also be available, in electronic format, on the website of the Luxembourg Stock Exchange (www.luxse.com).

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus, which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new base prospectus for use in connection with any subsequent issue of Notes.

FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will initially be issued in the form of a temporary global note (a **Temporary Global Note**) or, if so specified in the applicable Final Terms, a permanent global note (a **Permanent Global Note**) and, together with a Temporary Global Note, each a **Global Note**) which, in either case, will:

- (a) if the Global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**); and
- (b) if the Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the **Common Depositary**) for, Euroclear and Clearstream, Luxembourg.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein for interests in a Permanent Global Note of the same Series against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 10) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced

an intention permanently to cease business or have in fact done so and no successor clearing system satisfactory to the Trustee is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form and a certificate to such effect signed by a duly authorised representative of the Issuer is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The following legend will appear on all Notes (other than Temporary Global Notes) and on all interest coupons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Notes or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

General

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within 90 days and the failure shall be continuing.

The Issuer may agree with any Dealer and the Trustee that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event a supplement to this Base Prospectus or a new Base Prospectus will be made available which will describe the effect of the agreement reached in relation to such Notes.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **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; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the **Prospectus Regulation**). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]¹

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]²

[MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)]**[MiFID II]**; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

¹ Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared in the EEA or the issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

² Legend to be included on the front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared in the UK or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

[UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (COBS), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (UK MiFIR); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (AS AMENDED OR MODIFIED FROM TIME TO TIME, THE SFA) - In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined the classification of the Notes [(and beneficial interests therein)] to be (a) capital markets products other than: prescribed capital markets products (as defined in the CMP Regulations 2018) and (b) Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]³

[Date]

TIM S.p.A.

Legal entity identifier (LEI):549300W384M3RI3VXU42

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €10,000,000,000
Euro Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the **Conditions**) set forth in the base prospectus dated 28 March 2025 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Base Prospectus**). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published at www.gruppotim.it and www.luxse.com. In addition, the Base Prospectus will be available from the specified office of each of the Paying Agents.

(Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.)

(If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.)

³ Legend to be included on front of the Final Terms if the Notes (and, if applicable, beneficial interests therein): (a) do not constitute prescribed capital markets products as defined under the CMP Regulations 2018 and (b) will be offered in Singapore.

1. (a) Series Number: []
- (b) Tranche Number: []
- (c) Date on which the Notes will be consolidated and form a single Series: [The Notes will be consolidated and form a single Series with *[identify earlier Tranches]* on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph []], which is expected to occur on or about *[date]*][Not Applicable]
2. Specified Currency or Currencies: []
3. Aggregate Nominal Amount:
 - (a) Series: []
 - (b) Tranche: []
4. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
5. (a) Specified Denominations: []

(N.B. Notes must have a minimum denomination of €100,000 (or equivalent).)

(Note – where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:

“[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”)
- (b) Calculation Amount (in relation to calculation of interest in global form see Conditions): []

(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)
6. (a) Issue Date: []
- (b) Interest Commencement Date: [*specify*]/Issue Date/Not Applicable]

(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)

7. Maturity Date: *[Specify date or for Floating Rate Notes - Interest Payment Date falling in or nearest to [specify month and year]]*
8. Interest Basis: *[[] per cent. Fixed Rate]
[[●] per cent. to be reset on [●] [and [●]] and every [●] anniversary thereafter]
[[] month [EURIBOR] [SOFR] +/- []% Floating Rate]
[Zero Coupon]
(see paragraph [13]/[14]/[15 below])*
9. Redemption[/Payment] Basis: *[100 per cent.][Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●] of their nominal amount]*
10. Change of Interest Basis: *[Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 13 and 14 below and identify there][Not Applicable]*
- (a) Switch Option: *[Applicable – [specify details of the change(s) in Interest Basis and the relevant Interest Periods to which the change(s) in Interest Basis applies]/[Not Applicable]*
- (The Issuer must give notice of the exercise of the Switch Option to Noteholders in accordance with Condition 14 on or prior to the relevant Switch Option Expiry Date)*
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (b) Switch Option Expiry Date: [●]
- (c) Switch Option Effective Date: [●]
11. Put/Call Options: *[Investor Put]
[Issuer Call]
[Change of Control Put]
[Issuer Maturity Par Call]
[Clean-Up Call]
[(see paragraphs 17/18/19/20/21/22/23 below)]
[Not Applicable]*
12. [Date [Board] approval for issuance of Notes obtained: []
- (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions: [Applicable]/[Not Applicable]/(if a Change of Interest Basis applies) [Applicable for the period starting from [and including] [●] ending on [but excluding] [●]]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate(s) of Interest: [] per cent. *per annum* payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date
- (Amend appropriately in the case of irregular coupons)*
- (c) Fixed Coupon Amount(s) (and in relation to Notes in global form see Conditions): [] per Calculation Amount
- (d) Broken Amount(s) (and in relation to Notes in global form see Conditions): [[] per Calculation Amount payable on the Interest Payment Date falling [in/on] []][Not Applicable]
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): [[] in each year][Not Applicable]
(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)
14. Floating Rate Note Provisions [Applicable]/[Not Applicable]/(if a Change of Interest Basis applies) [Applicable for the period starting from [and including] [●] ending on [but excluding] [●]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph. Also consider whether EURIBOR or SOFR is the appropriate reference rate to delete the following items as appropriate)*
- (a) Specified Period(s)/Specified Interest Payment Dates: [] [, subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[Not Applicable]

- (c) Additional Business Centre(s): []
- (d) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [] [(the **Calculation Agent**)]
- (e) Screen Rate Determination:
- (i) Reference Rate: [[] month [EURIBOR]]
[SOFR]
- (ii) [Term Rate [Applicable/Not Applicable]]
- D: [360/365/[]] / [Not Applicable]
 - Observation Method: [Lag/Observation Shift/Not Applicable]
 - Lag: [[5 / []] U.S. Government Securities Business Days]/[Not Applicable]
 - Observation Shift: [[5 / []] U.S. Government Securities Business Days]/[Not Applicable]
- (NB: A minimum of 5 U.S. Government Securities Business Days if Compounded Daily SOFR, should be specified for the Lag Period or Observation Shift Period, unless otherwise agreed with the Calculation Agent)*
- (iii) Interest Determination Date(s): [The second day on which T2 is open prior to the start of each Interest Period]
- [The first U.S. Government Securities Business Day falling after the last day of the relevant Observation Period]
- [the day falling *specify*] [U.S. Government Securities Business Day[s] prior to each Interest Payment Date (or the relevant payment date if the Notes become due and payable on a date other than an Interest Payment Date)]
- specify other*
- (iv) Relevant Screen Page: []/[Not Applicable]

(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)

(Select not applicable only if the Conditions do not refer to Relevant Screen Page, such as for SOFR)

- (f) Linear Interpolation [Not Applicable/Applicable – the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)
[+/-] [] per cent. *per annum*
- (g) Margin(s): [] per cent. *per annum*
- (h) Minimum Rate of Interest: [] per cent. *per annum*
- (i) Maximum Rate of Interest: [] per cent. *per annum*
- (j) Day Count Fraction: [Actual/Actual (ISDA)][Actual/Actual]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360][360/360][Bond Basis]
[30E/360][Eurobond Basis]
[30E/360 (ISDA)]
15. Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Accrual Yield: [] per cent. *per annum*
- (b) Reference Price: []
- (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]
[Actual/360]
[Actual/365]

PROVISIONS RELATING TO REDEMPTION

16. Notice periods for Condition 7.2 *(Redemption and Purchase - Redemption for tax reasons)*: Minimum period: [30] days
Maximum period: [60] days
17. Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): []

(b) Optional Redemption Amount: [[] per Calculation Amount] [Make-Whole Amount]

(c) Redemption Margin: [[●] per cent.] [Not Applicable]

(Only applicable to Make-Whole Amount redemption)

(d) Reference Bond: [insert applicable reference bond] [Not Applicable]

(Only applicable to Make-Whole Amount redemption)

(e) Reference Dealers: [[●]] [Not Applicable]

(Only applicable to Make-Whole Amount redemption)

(f) If redeemable in part:

(i) Minimum Redemption Amount: []

(ii) Maximum Redemption Amount: []

(g) Notice periods: Minimum period: [15] days

Maximum period: [30] days

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)

18. Issuer Maturity Par Call: [Applicable][Not Applicable]

Notice periods: [Minimum period: [] days] [Not Applicable]
[Maximum period: [] days] [Not Applicable]

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)

- (a) Maturity Par Call Period: From (and including) [●] to (but excluding) the Maturity Date
- (b) Maturity Par Call Period Commencement Date: [●]
[Applicable/Not Applicable]
19. Clean-Up Call: [●] per cent.
Clean-Up Call Percentage:
Clean-Up Call Redemption Amount: [] per Note [of [] Specified Denomination]
20. Investor Put: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount: [] per Calculation Amount
- (c) Notice periods: Minimum period: [] days
Maximum period: [] days
(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)
21. Change of Control Put [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount: [] per Calculation Amount
- (c) Notice periods: Minimum period: [] days
Maximum period: [] days
(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and

custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)

22. Final Redemption Amount: [] per Calculation Amount
23. Early Redemption Amount payable on redemption for taxation reasons or on event of default: [] per Calculation Amount
(N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par (but consider). If, however, the Final Redemption Amount is other than 100 per cent. of the nominal value, consideration should be given as to what the Early Redemption Amount should be.)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:
- (a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes upon an Exchange Event]
[Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event]
- (b) New Global Note: [Yes][No]
25. Additional Financial Centre(s): [Not Applicable/*insert relevant financial centre(s)*]
(Note that this item relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which subparagraph 14(c) relates)
26. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No.]

THIRD PARTY INFORMATION

[[Relevant third party information] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of the Issuer:

By: _____
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify (i) relevant regulated market (for example the Regulated Market of the Luxembourg Stock Exchange or the Electronic Bond Market (Mercato Telematico Obbligazionario)) and also any third country market, SME growth market or MTF, and (ii) if relevant, listing on an official list (for example, the official list of Borsa Italiana)] with effect from [].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify (i) relevant regulated market (for example the Regulated Market of the Luxembourg Stock Exchange or the Electronic Bond Market (Mercato Telematico Obbligazionario)) and also any third country market, SME growth market or MTF, and (ii) if relevant, listing on an official list (for example, the official list of Borsa Italiana)] with effect from [].]

(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)

[Not Applicable]

- (ii) Estimate of total expenses related to admission to trading: []

2. RATINGS

[The Notes to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

[] by [insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms].

[Each of [defined terms] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**).] [/[Each of [defined terms] is established in the United Kingdom and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European

Union (Withdrawal) Act 2018 (the **UK CRA Regulation**).]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

- (i) Reasons for the offer: [for its general corporate purposes]
(See "Use of Proceeds" wording in the Base Prospectus - if reasons for offer different from what is disclosed in the Base Prospectus, give details)
[]
- (ii) Estimated net proceeds:

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees [of [*insert relevant fee disclosure*]] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates (including parent companies) have engaged, and may in the future engage, in lending, corporate finance, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates (including parent companies) in the ordinary course of business - *Amend as appropriate if there are other interests*]

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.)]

5. YIELD (Fixed Rate Notes only) [] [Not Applicable]

[The yield [is calculated at the Issue Date on the basis of the Issue Price. It] is not an indication of future yield.]

6. OPERATIONAL INFORMATION

- (i) ISIN: []
- (ii) Common Code: []
- (iii) CFI [include code], as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

- (iv) FISN: *[[include code]*, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (v) Any clearing system(s) other than Euroclear and Clearstream Luxembourg and the relevant identification number(s): [Not Applicable/*give name(s), address(es) and number(s)*]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): []/[Not Applicable]
- (viii) Deemed delivery of clearing system notices for the purposes of Condition 14: Any notice delivered to Noteholders through the clearing systems will be deemed to have been given on the [second] [business] day after the day on which it was given to Euroclear and Clearstream, Luxembourg.
- (ix) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/
- [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

7. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]

- (ii) If syndicated, names of Managers: [Not Applicable/give names]
- (iii) Stabilisation Manager(s) (if any): [Not Applicable/give name]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
- (v) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D Rules/TEFRA C Rules/TEFRA [Not Applicable]]
- (vi) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]
- (vii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)
- (viii) Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)
- (ix) EU Benchmarks Regulation: [Applicable: Amounts payable under the Notes are calculated by reference to *[insert name[s] of benchmark(s)]*, which [is/are] provided by *[insert name[s] of the administrator[s] – if more than one specify in relation to each relevant benchmark]*].
- (x) EU Benchmarks Regulation: Article 29(2) statement on benchmarks: [As at the date of these Final Terms, *[insert name[s] of the administrator[s]]* [is/are] [not] included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority [(ESMA)] pursuant to Article 36 of the EU Benchmarks Regulation (Regulation (EU) 2016/1011) [(the EU BMR)]. [As far as the

Issuer is aware, [[insert name of the benchmark] does not fall within the scope of the BMR by virtue of Article 2 of the BMR.]/[the transitional provisions in Article 51 of the BMR apply, such that the administrator is not currently required to obtain recognition or endorsement, or to benefit from an equivalence decision]]. *(repeat as necessary)*]]

(If Not Applicable, delete this sub-paragraph)

- (xi) [Singapore Sales to Institutional Investors and Accredited Investors only:] [Not Applicable/Applicable]⁴

⁴ Delete this line item where Notes are not offered into Singapore. Include this line item where Notes are offered into Singapore. Indicate “Applicable” if Notes are offered to Institutional Investors and Accredited Investors in Singapore only. Indicate “Not Applicable” if Notes are also offered to investors other than Institutional Investors and Accredited Investors in Singapore.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Applicable Final Terms” for a description of the content of the Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by TIM S.p.A. (the **Issuer** or **TIM**) constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 28 March 2025 made between TIM and Deutsche Trustee Company Limited (the **Trustee**, which expression shall include any successor as Trustee).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note; and
- (c) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 28 March 2025 and made between TIM, the Trustee, Deutsche Bank AG, London Branch as issuing and principal paying agent and agent bank (the **Principal Paying Agent**, which expression shall include any successor principal paying agent) and the other paying agents named therein (together with the Principal Paying Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents). The Principal Paying Agent, the Calculation Agent (if any is specified in the applicable Final Terms) and the Paying Agents, together referred to as the **Agents**.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which complete these Terms and Conditions (the **Conditions**). References to the **applicable Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. The expression **Prospectus Regulation** means Regulation (EU) 2017/1129, as amended.

Interest bearing definitive Notes have interest coupons (**Coupons**) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The Trustee acts for the benefit of the Noteholders (which expression shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below) and the holders of the Coupons (the **Couponholders**, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or

Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours at the principal office for the time being of the Trustee being at 28 March 2025 at 21 Moorfields, London, EC2Y 9DB, United Kingdom and at the specified office of each of the Paying Agents. If the Notes are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange the applicable Final Terms will be published on the website of the Luxembourg Stock Exchange (www.luxse.com), are available for viewing at www.gruppotim.it and copies may be obtained from the Issuer at its registered office, as well as from the specified office of each of the Paying Agents, save that, if this Note is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation, the applicable Final Terms will only be obtainable by a Noteholder holding one or more unlisted Notes of that Series and such Noteholder must produce evidence satisfactory to the Issuer and the Trustee or, as the case may be, the relevant Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed.

Words and expressions defined in the Trust Deed, the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In the Conditions, **euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denominations (the **Specified Denomination(s)**) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer, the Trustee and any Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the Trustee and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly. In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of an error which is manifest or, in the opinion of the Trustee, proven, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms or as may otherwise be approved by the Issuer, the Agent and the Trustee.

2. STATUS OF THE NOTES

The Notes and any relative Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save as aforesaid and for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

3. RESTRICTIONS ON SECURITY INTERESTS

So long as any Note remains outstanding, the Issuer shall not create or permit to subsist any Security Interest other than Permitted Encumbrances upon the whole or any part of their present or future revenues or assets to secure any Capital Markets Indebtedness without at the same time or prior thereto taking any and all action necessary to ensure that:

- (i) all amounts payable by it under the Notes, any relative Coupons and the Trust Deed are secured by the Security Interest equally and rateably with the Capital Markets Indebtedness to the satisfaction of the Trustee; or
- (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (A) as the Trustee in its absolute discretion deems not materially less beneficial to the interests of the Noteholders or (B) as is approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

For the avoidance of doubt in respect of asset-backed financings originated by the Issuer, the expressions “assets” and “obligations for the payment of borrowed money” as used in this Condition do not include assets and obligations of the Issuer which, pursuant to the requirements of law and accounting principles generally accepted in Italy, currently need not be, and are not, reflected in the balance sheet of the Issuer.

As used herein:

Capital Markets Indebtedness means any obligation for the payment of borrowed money which is in the form of, or represented or evidenced by, a certificate of indebtedness or in the form of, or represented or evidenced by, bonds, notes or other securities, in each case which is/are listed or traded on a stock exchange or other recognised securities market;

Change of Interest Basis means, if applicable, the change of Interest Basis of the Notes as specified in the relevant Final Terms and in accordance with the provisions set out in Condition 5.4 (*Change of Interest Basis*);

Interest Basis has the meaning given in the applicable Final Terms;

Permitted Encumbrance means:

- (a) any encumbrance existing on the date on which agreement is reached to issue the first Tranche of the Notes;
- (b) any encumbrance over or affecting any asset acquired by the Issuer after the date on which agreement is reached to issue the first Tranche of the Notes and subject to which such asset is acquired, if:
 - (A) such encumbrance was not created in contemplation of the acquisition of such asset by the Issuer; and
 - (B) the amount thereby secured has not been increased in contemplation of, or since the date of, the acquisition of such asset by the Issuer;
- (c) any encumbrance over or affecting any asset of any company which becomes an obligor after the date on which agreement is reached to issue the first Tranche of the Notes, where such encumbrance is created prior to the date on which such company becomes an obligor, if:
 - (A) such encumbrance was not created in contemplation of that company becoming an obligor; and
 - (B) the amount thereby secured has not been increased in contemplation of, or since the date of, that company becoming an obligor;
- (d) any netting or set-off arrangement entered into by any member of the TIM Group in the normal course of its banking arrangements for the purpose of netting debit and credit balances;
- (e) any title transfer or retention of title arrangement entered into by any member of the TIM Group in the normal course of its trading activities on the counterparty’s standard or usual terms;

- (f) encumbrances created in substitution of any encumbrance permitted under sub-paragraphs (b)(A) and (b)(B) of this definition over the same or substituted assets provided that (1) the principal amount secured by the substitute encumbrance does not exceed the principal amount outstanding and secured by the initial encumbrance and (2) in the case of substituted assets, if the market value of the substituted assets at the time of the substitution does not exceed the market value of the assets replaced;
- (g) encumbrances created to secure:
 - (A) loans provided, supported or subsidised by a governmental agency, national or multinational investment guarantee agency, export credit agency or a lending organisation established by the United Nations, the European Union or other international treaty organisation, including, without limitation, the European Investment Bank, the European Bank for Reconstruction and Development and the International Finance Corporation; or
 - (B) Project Finance Indebtedness,

provided that the encumbrance is created on an asset of the project being financed by such loans (and/or on the shares in, and/or shareholder loans made to, the company conducting such project) or, as the case may be, such Project Finance Indebtedness, and remains confined to that asset (and/or shares and/or shareholder loans);
- (h) encumbrances arising out of the refinancing of any Capital Markets Indebtedness secured by any encumbrance permitted by the preceding sub-paragraphs, provided that the amount of such Capital Markets Indebtedness is not increased and is not secured by an encumbrance over any additional assets;
- (i) any encumbrance arising by operation of law;
- (j) any encumbrance created in connection with convertible bonds or notes where the encumbrance is created over the assets into which the convertible bonds or notes may be converted and secures only the obligation of the issuer to effect the conversion of the bonds or notes into such assets;
- (k) any encumbrance created in the ordinary course of business to secure Capital Markets Indebtedness under hedging transactions entered into for the purpose of managing risks arising under funded debt obligations such as credit support annexes and agreements;
- (l) any encumbrance over or affecting any asset of the Issuer to secure Capital Markets Indebtedness under a Permitted Leasing Transaction, provided that the aggregate Capital Markets Indebtedness secured by all such encumbrances does not exceed €1,000,000,000;
- (m) any encumbrance created on short-term receivables used in any asset-backed financing;
- (n) any encumbrance on real estate assets of the Issuer, any of its Subsidiaries or any person to which such real estate assets may be contributed by the Issuer or any of its Subsidiaries in connection with the issuance of any indebtedness, whether such indebtedness is secured or unsecured by such real estate assets or any other assets of such person to which real estate assets have been contributed by the Issuer or any of its Subsidiaries; and

- (o) any other encumbrance securing Capital Markets Indebtedness of an aggregate amount not exceeding 10 per cent. of the total net worth of the Issuer (as disclosed in the most recent audited consolidated balance sheet of the Issuer);

Permitted Leasing Transaction means one or more transactions or a series of transactions as a result of which the Issuer disposes of or otherwise transfers (including, without limitation, by way of sale of title or grant of a leasehold or other access, utilisation and/or possessory interest(s)) its rights to possess, use and/or exploit all or a portion of a particular asset or particular assets owned, used and/or operated by the Issuer (or its rights and/or interests in respect thereof) to one or more other persons in circumstances where the Issuer or an affiliate shall have the right to obtain or retain possession, use and/or otherwise exploit the asset or assets (or rights and/or interests therein) so disposed of or otherwise transferred;

Person means any individual, corporation, partnership, joint venture, limited liability company, trust, unincorporated organisation or government or agency or political subdivision thereof;

Project Finance Indebtedness means any indebtedness incurred by a debtor to finance the ownership, acquisition, construction, development and/or operation of an asset in respect of which the person or persons to whom such indebtedness is, or may be, owed have no recourse whatsoever for the repayment of or payment of any sum relating to such indebtedness other than:

- (a) recourse to such debtor for amounts limited to the cash flow from such asset; and/or
- (b) recourse to such debtor generally, which recourse is limited to a claim for damages (other than liquidated damages and damages required to be calculated in a specified way) for breach of an obligation, representation or warranty (not being a payment obligation, representation or warranty or an obligation, representation or warranty to procure payment by another or an obligation, representation or warranty to comply or to procure compliance by another with any financial ratios or other test of financial condition) by the person against whom such recourse is available; and/or
- (c) if such debtor has been established specifically for the purpose of constructing, developing, owning and/or operating the relevant asset and such debtor owns no other significant assets and carries on no other business, recourse to all of the assets and undertaking of such debtor and the shares in the capital of such debtor and shareholder loans made to such debtor;

Security Interest means (i) any mortgage, charge, pledge, lien or other encumbrance securing any obligation of any Person; and (ii) any arrangement providing a creditor with prior right to an asset, or its proceeds of sale, over other creditors in a liquidation;

Subsidiary means a corporation in respect of which more than 50% of the outstanding voting shares or equity interest having by the terms thereof ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether at the time shares of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by the Issuer or by one or more of its Subsidiaries, or by the Issuer and one or more Subsidiaries; and

TIM Group means TIM and its Subsidiaries.

4. MERGERS AND SIMILAR EVENTS

So long as any Note remains outstanding, the Issuer may consolidate or merge with another company or firm, sell or lease all or substantially all of their respective assets to another company or buy or lease all or substantially all of the assets of another company, provided that the Issuer shall not take any of these actions unless:

- (i) where 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 Notes and the Trust Deed), either by law or contractual arrangements;
- (ii) if the other company is organised under the laws of a country other than Italy, it must indemnify the Noteholders and Couponholders against (A) any tax, assessment or governmental charge imposed on any such Noteholder or Couponholder or required to be withheld or deducted from any payment to such Noteholder or Couponholder as a consequence of such merger, conveyance, transfer or lease and (B) any costs or expenses of the act of such merger, conveyance, transfer or lease; provided that, if such company is incorporated in Italy, such other company shall not be liable under such indemnity to pay any additional amounts either on account of “*imposta sostitutiva*” or on account of any other withholding or deduction in the event of payment of interest or other amounts paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with Italy; and
- (iii) the merger, sale or lease of all or substantially all of the assets of the Issuer will not be an Event of Default (as defined in Condition 10) and no Event of Default or other event which, with the giving of notice or lapse of time or other condition (including, without limitation, certification from the Trustee), would be an Event of Default has occurred and is outstanding.

As long as the Notes are admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or listed on the official list of the Luxembourg Stock Exchange, in the case of such merger or consolidation, the Issuer will advise the Luxembourg Stock Exchange, a supplement to the Base Prospectus or, where so required by the relevant authority, a new base prospectus will be prepared and the Noteholders will be notified in accordance with Condition 14.

5. INTEREST

5.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) *per annum* equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after the application of any Fixed Coupon Amount or Broken Amount to the Calculation Amount in the case of Fixed Rate Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 5.1:

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
 - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

- (ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:

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

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

5.2 Interest on Floating Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls on the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In the Conditions, **Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 5.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which

falls in the Specified Period after the preceding applicable Interest Payment Date occurred; or

- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, **Business Day** means:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre (other than T2) specified in the applicable Final Terms; and
- (b) if T2 is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor or replacement for that system (**T2**) is open; and
- (c) either (1) in relation to any sum payable in a Specified Currency other than euro, 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 principal financial centre of the country of the relevant Specified Currency (if other than any Additional Business Centre and which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the T2 is open.

(b) **Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified below.

(i) ***Screen Rate Determination for Floating Rate Notes – EURIBOR***

This Condition 5.2(b)(i) applies if “EURIBOR” is specified in the Final Terms to be the applicable Reference Rate.

The Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate *per annum*) for the Reference Rate (being **EURIBOR**) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. Brussels time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the

Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(ii) ***Screen Rate Determination for Floating Rate Notes – SOFR***

(A) This Condition 5.2(b)(ii) applies if “SOFR” is specified in the Final Terms to be the applicable Reference Rate.

(B) Where "SOFR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent or the Principal Paying Agent, as applicable, on each Interest Determination Date.

(C) For the purposes of this Condition 5.2(b)(ii):

Benchmark means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 5.2(b)(ii).

Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.

If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 5.2(b)(ii)(D) below will apply.

Compounded SOFR with respect to any Interest Period, means the rate of return of a daily compound interest investment in U.S. dollars (with the Secured Overnight Financing Rate as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

d is the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

D is the number specified in the relevant Final Terms (or, if no such number is specified, 360);

d_o is the number of U.S. Government Securities Business Days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

i is a series of whole numbers from one to **d_o**, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to and including the last U.S. Government Securities Business Day in such period;

Interest Determination Date means, in respect of any Interest Period, the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

ni for any U.S. Government Securities Business Day "i" in the relevant Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day (**i+1**);

Observation Period in respect of an Interest Period means the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such

Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

p for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms which shall not be less than five U.S. Government Securities Business days at any time, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest);

SOFR with respect to any U.S. Government Securities Business Day, means:

- (i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the **SOFR Determination Time**); or
- (ii) Subject to Condition 5.2(b)(ii)(D) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published on the SOFR Administrator's Website in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

SOFR Administrator means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

SOFR Administrator's Website means the website of the Federal Reserve Bank of New York, or any successor source;

SOFR_i means the SOFR for:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant U.S. Government Securities Business Day "i"; and

U.S. Government Securities Business Day means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(D) (I) Benchmark Replacement

If the Issuer determines on or prior to the relevant Reference Time on the relevant Interest Determination Date that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates (subject to any subsequent application of this Condition 5.2(b)(ii)(D) with respect to such Benchmark Replacement).

(II) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders.

At the request of the Issuer, but subject to receipt by the Trustee, the Calculation Agent and the Paying Agents of the certificate referred to in Condition 5.2(b)(ii)(E) below and subject as provided below, the Trustee, the Calculation Agent and the Paying Agents (as applicable) shall (at the expense of the Issuer), without any requirement for the consent or approval of Noteholders or Couponholders and without liability to the Noteholders or any other person, be obliged to concur with the Issuer in effecting any Benchmark Replacement Conforming Changes (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed) with effect from the date specified in the notice referred to in Condition 5.2(b)(ii)(E) below.

Notwithstanding any other provision of this Condition 5.2(b)(ii)(D)(II), none of the Trustee, the Calculation Agent or the Paying Agents (as applicable) shall be obliged to concur with the Issuer in respect of any Benchmark Replacement Conforming Changes which, in the sole opinion of the Trustee, the Calculation Agent or the relevant Paying Agent (as applicable), would (i) expose the Trustee, the Calculation Agent or the relevant Paying Agent (as applicable) to any additional liability or (ii) increase the obligations or duties, or decrease the rights or protections, afforded to the Trustee, the Calculation Agent or the relevant Paying Agent (as applicable) in the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed), the Agency Agreement and/or these Conditions.

(III) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer pursuant to this Condition 5.2(b)(ii)(D), including (without limitation) any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (i) will be conclusive and binding absent manifest error;
- (ii) will be made in the sole discretion of the Issuer; and
- (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without any requirement for the consent or approval from the holders of the Notes or any other party.

In this Condition 5.2(b)(ii)(D):

Benchmark means, initially, Compounded SOFR, as such term is defined above; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

Benchmark Replacement means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment; or
- (ii) the sum of: (A) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

Benchmark Replacement Adjustment means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement; or
- (ii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

Benchmark Replacement Conforming Changes means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

Benchmark Replacement Date means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (i) in the case of sub-paragraph (a), (b) or (c) of the definition of "Benchmark Transition Event" below, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of sub-paragraph (d), (e) or (f) of the definition of "Benchmark Transition Event" below, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

Benchmark Transition Event means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- a) the Benchmark has ceased to be published as a result of such benchmark ceasing to be calculated or administered; or
- b) a public statement by the administrator of the Benchmark that it has ceased, or will cease, publishing such Benchmark permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Benchmark); or
- c) a public statement by the supervisor of the administrator of the Benchmark that such Benchmark has been or will be permanently or indefinitely discontinued; or
- d) a public statement by the supervisor of the administrator of the Benchmark (as applicable) that means that such Benchmark 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 Notes; or
- e) a public statement by the supervisor of the administrator of the Benchmark that, in the view of such supervisor, such Benchmark is no longer representative of an underlying market; or
- f) it has or will become unlawful for the Calculation Agent, the Principal Paying Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Benchmark (as applicable) (including, without limitation, under the BMR, if applicable).

Unless otherwise specified in the relevant Final Terms, the change of the Benchmark methodology does not constitute a Benchmark Transition Event. In the event of a change in the formula and/or (mathematical or other) methodology used to measure the Relevant Benchmark, reference shall be made to the Benchmark based on the formula and/or methodology as changed.

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

Reference Time with respect to any determination of the Benchmark means (i) if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not Compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

Relevant Governmental Body means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

Unadjusted Benchmark Replacement means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (E) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition 5.2(b)(ii)(D) above will be notified (in any case, not less than five Business Days prior to the relevant Interest Determination Date) promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 14 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Trustee, the Calculation Agent and the Paying Agents of the same, the Issuer shall deliver to the Trustee, the Calculation Agent and the Paying Agents a certificate signed by two Authorised Signatories of the Issuer:

- a) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 5.2(b)(ii); and
- b) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

If, following the occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, any Benchmark Replacement is notified to the Principal Paying Agent or (if applicable) the Calculation Agent, and the Principal Paying Agent or (if applicable) the Calculation Agent is in any way uncertain as to the application of such Benchmark Replacement in the calculation or determination of any Rate of Interest, it shall promptly notify the Issuer thereof and the Issuer shall direct the Principal Paying Agent or the Calculation Agent, as the case may be, in writing as to which course of action to adopt in the application of such Benchmark Replacement in the determination of such Rate of Interest. If the Principal Paying Agent or the Calculation Agent, as the case may be, is not promptly provided with such direction, it shall notify the Issuer thereof, and the Principal Paying Agent or the Calculation Agent, as the case may be, shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so. For the avoidance of doubt, for the period that the Principal Paying Agent or the Calculation Agent, as the case may be, remains uncertain of the application of the Benchmark Replacement in the calculation or determination of any Rate of Interest, the original Benchmark and any other applicable fallback provisions provided for in this Condition 5.2 and/or the applicable Final Terms, as the case may be, will continue to apply.

- (F) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(b)(ii), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(c) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) **Determination of Rate of Interest and calculation of Interest Amounts**

The Principal Paying Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (i) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (ii) in the case of Floating Rate Notes which are in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note which is in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 5.2:

- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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

Y_2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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

Y_2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

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

- (vii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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

Y_2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

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

(e) **Linear Interpolation**

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

Designated Maturity means the period of time designated in the Reference Rate.

(f) **Notification of Rate of Interest and Interest Amounts**

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange on which the relevant Floating Rate Notes are for the time being listed in accordance with the rules of such stock exchange (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14.

For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(g) **Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5.2 by the Principal Paying Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Principal Paying Agent, the other Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Principal Paying Agent or, if applicable, the Trustee or any agent appointed by the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

5.3 Benchmark Discontinuation

This Condition 5.3 is applicable to Notes only if the Floating Rate Note Provisions are specified in the Final Terms as being applicable, other than in the case of a U.S. dollar-denominated floating rate Note for which the Reference Rate is specified in the Final Terms as being "SOFR".

(a) **Independent Adviser**

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5.3(b) (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5.3(c) (*Adjustment Spread*)) and any Benchmark Amendments (in accordance with Condition 5.3(d) (*Benchmark Amendments*)).

An Independent Adviser appointed pursuant to this Condition 5.3(a) shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith, fraud and gross negligence, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, the Trustee, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 5.3.

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5.3(a) prior to the date which is ten Business Days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this Condition 5.3(a) shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5.3(a).

(b) **Successor Rate or Alternative Rate**

If the Independent Adviser determines that:

- (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5.3(c) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5.3); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5.3(c) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5.3).

(c) **Adjustment Spread**

If the Independent Adviser determines (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 such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

Notwithstanding any other provision of Condition 5, if in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under Condition 5, the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination.

(d) **Benchmark Amendments**

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5.3 and the Independent Adviser determines (i) that amendments to these Conditions, the Trust Deed and the Agency Agreement, including but not limited to Relevant Screen Page, are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5.3(e) (*Notices*), without any requirement for the consent or approval of Noteholders, vary these Conditions, the Trust Deed and the Agency Agreement 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 5.3(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

At the request of the Issuer, but subject to receipt by the Trustee, the Agents and the Calculation Agent of a certificate signed by two duly authorised representatives of the Issuer pursuant to Condition 5.3(e), the Trustee, the Agents and the Calculation Agent shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders or Couponholders, be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the none of the Trustee, the Agents and the

Calculation Agent shall be obliged to agree to any Benchmark Amendments which, in its sole opinion, would have the effect of (i) exposing it to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or (ii) increasing its obligations, responsibilities or duties, or decreasing its protections, under the Trust Deed and/or the Conditions and/or the Agency Agreement (as applicable) in any way.

(e) **Notices**

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5.3 will be notified promptly by the Issuer to the Trustee, the Principal Paying Agent and each Paying Agent and, in accordance with Condition 14 (*Notices*), the Noteholders. 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:

- (i) confirming (x) that a Benchmark Event has occurred, (y) the Successor Rate or, as the case may be, the Alternative Rate and (z) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5.3;
- (ii) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread; and
- (iii) certifying that the Issuer has duly consulted with an Independent Adviser with respect to each of the matters above.

The Trustee shall be entitled to rely on such certificate (without inquiry and without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the party responsible for determining the Rate of Interest (being the Principal Paying Agent or such other party specified in the applicable Final Terms, as applicable), the Paying Agents and the Noteholders and Couponholders.

(f) **Survival of Original Reference Rate**

Without prejudice to the obligations of the Issuer under Condition 5.3(a) (*Independent Adviser*) to Condition 5.3(d) (*Benchmark Amendments*), the Original Reference Rate and the fallback provisions provided for in Condition 5.2(b) (*Rate of Interest*) will continue to apply unless and until a Benchmark Event has occurred.

(g) **Definitions**

For the purposes of this Condition 5.3:

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

result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (a) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (b) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); (or if the Issuer determines that no such industry standard is recognised or acknowledged); or
- (c) the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5.3(b) (*Successor Rate or Alternative Rate*) is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes and with an interest period of a comparable duration to the relevant Interest Period;

Benchmark Amendments has the meaning given to it in Condition 5.3(d) (*Benchmark Amendments*);

Benchmark Event means:

- (a) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (b) a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (c) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, in each case within the following six months; or
- (e) it has become unlawful for the Paying Agents, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that in the case of sub-paragraphs (b), (c) and (d) above, the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement. For the

avoidance of doubt, neither the Paying Agents nor the Trustee shall be obliged to monitor or inquire whether a Benchmark Event has occurred or have any liability in respect thereof.

Independent Adviser means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5.3(a) (*Independent Adviser*);

Original Reference Rate means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes;

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

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

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

5.4 Change of Interest Basis

If Change of Interest Basis is specified as applicable in the applicable Final Terms, the interest payable in respect of the Notes will be calculated in accordance with Condition 5.1 or Condition 5.2, each applicable only for the relevant periods specified in the applicable Final Terms.

If Change of Interest Basis is specified as applicable in the applicable Final Terms, and Issuer's Switch Option is also specified as applicable in the applicable Final Terms, the Issuer may, on one or more occasions, as specified in the applicable Final Terms, at its option (any such option, a **Switch Option**), having given notice to the Noteholders in accordance with Condition 14 (*Notices*) and delivering such notice to the Paying Agent and the Calculation Agent on or prior to the relevant Switch Option Expiry Date, change the Interest Basis of the Notes from Fixed Rate to Floating Rate or Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date (or, where more than one Switch Option Effective Date is specified in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date), provided that (A) the Switch Option may be exercised only in respect of all the outstanding Notes, (B) upon exercise of a Switch Option, the Interest Basis change will be effective from (and including) the relevant Switch Option Effective Date until the Maturity Date (or, where more than one Switch Option Effective Date is specified as applicable in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date to the extent the related Switch Option is exercised), and (C) where a Switch Option has not been exercised prior to the relevant Switch Option Expiry Date, the Issuer shall no longer be entitled to exercise such Switch Option and the Interest Basis shall not change.

Switch Option Expiry Date and **Switch Option Effective Date** shall mean any date specified as such in the applicable Final Terms provided that any date specified in the applicable Final

Terms as a Switch Option Effective Date shall be deemed as such subject to the exercise of the relevant Switch Option having been notified by the Issuer pursuant to this Condition and in accordance with Condition 14 (*Notices*) prior to the relevant Switch Option Expiry Date.

5.5 Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

6. PAYMENTS

6.1 Method of payment

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

6.2 Presentation of definitive Notes and Coupons

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 6.1 above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date

(as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

6.3 Payments in respect of Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes or otherwise in the manner specified in the relevant Global Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

6.4 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition 6.4, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;

- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

6.5 Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 9) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):
 - (i) in the case of Notes in definitive form only, in the relevant place of presentation;
 - (ii) in each Additional Financial Centre (other than T2) specified in the applicable Final Terms; and
- (b) if T2 is specified as an Additional Financial Centre in the applicable Final Terms, a day on which T2 is open; and
- (c) either (1) in relation to any sum payable in a Specified Currency other than euro, 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 principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the T2 is open.

6.6 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 8 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes; and
- (e) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

7. REDEMPTION AND PURCHASE

7.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed at least at par by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

7.2 Redemption for tax reasons

Subject to Condition 7.7, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Principal Paying Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 either:

- (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 8) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or
- (b) where a Person into which the Issuer is merged or to whom it has conveyed, transferred or leased all or substantially all of its assets is required to pay additional amounts, unless the sole purpose of such a merger would be to permit the Issuer to redeem the Notes,

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

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee (i) a certificate signed by a duly authorised representative of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Notes redeemed pursuant to this Condition 7.2 will be redeemed at their Early Redemption Amount referred to in Condition 7.7 below together (if appropriate) with any interest accrued to (but excluding) the date of redemption.

7.3 Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given (unless otherwise specified in the Final Terms) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

The Optional Redemption Amount will either be the specified percentage of the nominal amount of the Notes stated in the applicable Final Terms or, if Make-Whole Amount is specified in the applicable Final Terms, will be an amount calculated by the Issuer or an appointed Agent on its behalf equal to the higher of:

- (a) 100 per cent. of the principal amount of the Note to be redeemed; or
- (b) as determined by the Reference Dealers (as defined below), the sum of the then current values of the remaining scheduled payments of principal and interest (not including any interest accrued on the Notes to, but excluding, the Optional Redemption Date) discounted to the Optional Redemption Date on an annual basis (based on the actual number of days elapsed divided by 365 or (in the case of a leap year) by 366) at the Reference Dealer Rate (as defined below) plus the Redemption Margin, plus, in each case, any interest accrued on the Notes to, but excluding, the Optional Redemption Date.

As used in this Condition 7.3:

Redemption Margin shall be as set out in the applicable Final Terms;

Reference Bond shall be as set out in the applicable Final Terms;

Reference Dealers shall be as set out in the applicable Final Terms; and

Reference Dealer Rate means with respect to the Reference Dealers and the Optional Redemption Date, the average of the five quotations of the mid-market annual yield to maturity of the Reference Bond or, if the Reference Bond is no longer outstanding, a similar security in the reasonable judgement of the Reference Dealers at 11.00 a.m. London time on the third business day in London preceding the Optional Redemption Date quoted in writing to the Issuer by the Reference Dealers.

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. So long as the Notes are admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or listed on the official list of the Luxembourg

Stock Exchange, such exchange will be informed once in each year of all Redeemed Notes and the aggregate principal amount of Notes outstanding.

7.4 Redemption at the option of the Issuer (Issuer Maturity Par Call)

If Issuer Maturity Par Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than 30 nor more than 60 days' notice (or such other period of notice as is specified in the applicable Final Terms) in accordance with Condition 14 to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Notes then outstanding in whole, but not in part, at any time during the Maturity Par Call Period commencing on (and including) the Maturity Par Call Period Commencement Date and ending on (but excluding) the Maturity Date, as specified in the applicable Final Terms, at the Final Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued but unpaid to (but excluding) the date fixed for redemption.

7.5 Redemption at the option of the Issuer (Clean-Up Call)

If Clean-Up Call is specified as being applicable in the applicable Final Terms and if, at any time after the Issue Date of the relevant Tranche of Notes, 80 per cent. or any higher percentage specified in the applicable Final Terms (the **Clean-Up Call Percentage**) of the aggregate principal amount of the Notes of the same Series (which for the avoidance of doubt includes any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) has been redeemed or purchased by, or on behalf of, the Issuer and cancelled, (other than as a result of the Issuer exercising an Issuer Call pursuant to Condition 7.3 at an Optional Redemption Amount that is higher than the Clean-Up Call Redemption Amount), the Issuer may, at its option but subject to having given not more than sixty (60) nor less than fifteen (15) days' notice to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) in accordance with Condition 14, redeem all, but not some only, of the outstanding Notes in that Series at their Clean-Up Call Redemption Amount specified in the applicable Final Terms together with any interest accrued to the date set for redemption.

7.6 Redemption at the option of the Noteholders (Investor Put)

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer, in accordance with Condition 14, not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition 7.6 and the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream,

Luxembourg (which may include notice being given on their instruction by Euroclear, Clearstream, Luxembourg or any common depository or common safekeeper, as the case may be for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note the terms of which require presentation for recording changes to its nominal amount, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly. The Luxembourg Stock Exchange will be advised by the Agent of any such Note which has been redeemed.

A Put Notice given by a holder of any Note shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Put Notice.

7.7 Redemption at the option of the Noteholders (Change of Control Put)

If Change of Control Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer, in accordance with Condition 14, not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

Change of Control Put will be deemed to occur if there is an Acquisition of Control of the Issuer (except in the event that any person or persons referred to in sub-paragraphs (a), (b) and/or (c) of the definition of "Acquisition of Control" below has or acquires such Control or Joint Control) (a **Change of Control**).

Promptly upon the Issuer becoming aware that a Change of Control has occurred, the Issuer shall give notice (a **Change of Control Put Event Notice**) to the Trustee, the Agents and the Noteholders in accordance with Condition 14 specifying (i) that Noteholders are entitled to exercise the Change of Control Put; (ii) all information material to Noteholders in relation to the Change of Control; and (iii) the procedure for exercising the Change of Control Put.

To exercise the Change of Control Put, the holder of the Notes must deliver at the specified office of any Principal Paying Agent on any Business Day at the place of such specified office falling within the period of 60 days following the date of the Change of Control Put Event Notice (the **Change of Control Put Period**), a duly signed and completed notice of exercise in the form (for the time being current and which may, if this Note is held through Euroclear or Clearstream, Luxembourg, be any form acceptable to Euroclear and Clearstream, Luxembourg) delivered in a manner acceptable to Euroclear and Clearstream, Luxembourg) obtainable from any specified office of any Principal Paying Agent (a **Change of Control Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this paragraph accompanied by such Notes and all Coupons appertaining thereto or evidence satisfactory to the Principal Paying Agent concerned that such Notes and all Coupons appertaining thereto will, following the delivery of the Change of Control Put Notice, be held to its order or under its control.

A Change of Control Put Notice given by a holder of any Note shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Change of Control Put Notice.

The Trustee is under no obligation to ascertain whether a Change of Control has occurred, or any event which could lead to the occurrence of or could constitute a Change of Control has

occurred and, until it shall have received express written notice to the contrary, the Trustee may assume that no Change of Control or other such event has occurred.

In this Condition:

Acquisition of Control means, with respect to the Issuer, the acquisition, either by way of public tender offer, private arrangement or otherwise, of Control of the Issuer by any third party other than:

- (a) any shareholder of the Issuer holding directly or indirectly as at the Issue Date of the relevant Tranche of Notes more than 9 per cent. of the voting rights exercisable in the ordinary shareholders meeting of the Issuer; and/or
- (b) the direct or indirect majority shareholder of, and/or any company or entity participated in and controlled by, such shareholder as at the Issue Date of the relevant Tranche of Notes; and/or
- (c) any single shareholder or combination of shareholders referred to in subparagraph (a) and/or (b) above (**Permitted Acquiring Shareholders**), also acting jointly with any third parties provided that in such case the Permitted Acquiring Shareholders hold at least Joint Control of the Issuer;

provided that notwithstanding the foregoing a transaction will not be deemed to involve an Acquisition of Control solely as a result of the Issuer becoming a direct or indirect wholly-owned subsidiary of a holding company if (x) the direct or indirect holders of the voting rights exercisable in the ordinary shareholders meeting of such holding company immediately following that transaction are substantially the same as the holders of voting rights exercisable in the ordinary shareholders meeting of the Issuer immediately prior to that transaction or (y) immediately following that transaction no third party (other than a holding company satisfying the requirements of this sentence) has Control of such holding company.

Control of a company or corporation shall be construed as the power (whether by way of ownership of shares, proxy, contract or other binding arrangement) to:

- (a) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of that company or corporation; or
- (b) appoint and remove all, or the majority, of the directors of that company or corporation; or
- (c) give directions with respect to the operating and financial policies of that company or corporation which the directors of that company or corporation are obliged to comply with,

pursuant to subparagraphs 1(1) and 1(2) of article 2359 of the Italian Civil Code.

Controlling Rights means the power to exercise Control in respect of the Issuer.

Joint Control means a situation where two or more parties:

- (a) collectively Control the Issuer; and
- (b) no one party individually (or collectively with its affiliates) Controls the Issuer; and

each such party has the power to prevent, including, without limitation, by means of veto powers, the other parties from exercising their Controlling Rights with respect to the Issuer.

7.8 Early Redemption Amounts

For the purpose of Condition 7.2 above and Condition 10:

- (a) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount as defined in the applicable Final Terms; and
- (b) each Zero Coupon Note will be redeemed at its Early Redemption Amount calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

RP means the Reference Price;

AY means the Accrual Yield (as indicated in the relevant Final Terms) expressed as a decimal; and

^y is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

7.9 Purchases

The Issuer or any Subsidiary of the Issuer may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

7.10 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 7.9 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

7.11 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 7.1, 7.2, 7.3, 7.4 or 7.5 above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 7.8(b) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 14.

8. TAXATION

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties assessments or governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of the Relevant Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction, except that no such additional amounts shall be payable:

- (a) in respect of any Note or Coupon presented for payment by or on behalf of a holder who is liable for such taxes in respect of such Note or Coupon by reason of the holder having some connection with the Relevant Jurisdiction other than the mere holding of such Note or Coupon; or
- (b) in respect of any Note or Coupon presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 6.5); or
- (c) with respect to any Note or Coupon for or on account of *imposta sostitutiva* pursuant to Italian Legislative Decree No. 239 of 1 April 1996 (**Decree No. 239**) and any related implementing regulations, each as amended and/or supplemented from time to time or superseded as at the date on which agreement is reached to issue the first Tranche of the Notes.

For the avoidance of doubt, no additional amount shall be payable by the Issuer with respect to any Note or Coupon for or on account of *imposta sostitutiva* if the holder becomes subject to *imposta sostitutiva* after the date on which agreement is reached to issue the first Tranche of the Notes by reason of an amendment or supplement to or replacement of the list of countries which provide for a satisfactory exchange of information with the Republic of Italy, according to Article 6 of Decree No. 239 and

any related implementing regulations, each, as amended and/or supplemented from time to time or superseded as at the date on which agreement is reached to issue the first Tranche of the Notes; or

- (d) in respect of any Note or Coupon presented for payment by or on behalf of a holder if such withholding or deduction may be avoided by such holder producing a declaration or other evidence of non-residence in the Relevant Jurisdiction to the relevant taxing authority or making any other claim or filing, but fails to do so.

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

As used herein:

- (i) **Relevant Jurisdiction** means the Republic of Italy and/or such other taxing jurisdiction to which the Issuer becomes subject by reason of its tax residence, or any political subdivision or any authority thereof or therein having power to tax; and
- (ii) the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

9. PRESCRIPTION

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6.2 or any Talon which would be void pursuant to Condition 6.2.

10. EVENTS OF DEFAULT AND ENFORCEMENT

10.1 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction) (but only if, except in relation to paragraph 10.1(a) below, the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to

the interests of the Noteholders), give notice in writing to the Issuer that the Notes are, and the Notes shall thereupon immediately become, due and repayable at their Early Redemption Amount together with accrued interest as provided in the Trust Deed if any of the following events (each an **Event of Default**) shall have occurred and be continuing:

- (a) *Non-payment*: default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of 10 days in the case of principal and 30 days in the case of interest; or
- (b) *Breach of other obligations*: the Issuer fails to perform or observe any of its other obligations under these Conditions or the Trust Deed and the failure continues for the period of 60 days next following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (c) *Cross-default of Issuer*:
 - (i) any Capital Markets Indebtedness of the Issuer in excess of €100,000,000 (or the equivalent thereof in other currencies) has to be repaid prematurely due to a default under its terms; or
 - (ii) the Issuer fails to fulfil any payment obligation exceeding €100,000,000 (or the equivalent thereof in other currencies) under any Capital Markets Indebtedness of the Issuer, or under any guarantee provided for any such Capital Markets Indebtedness in excess of €100,000,000 (or the equivalent thereof in other currencies) of others, and such failure continues for a period of 30 days; or
 - (iii) any security or guarantee relating to Capital Markets Indebtedness in excess of €100,000,000 (or the equivalent thereof in other currencies) provided by the Issuer is enforced by the lenders and such enforcement is not contested in good faith by the Issuer or the Issuer publicly announces its inability to meet its financial obligations; or
- (d) *Insolvency*:
 - (i) a court opens insolvency or equivalent proceedings against the Issuer which are not resolved within six months, unless such proceedings are frivolous or vexatious and contested in good faith and appropriately and do not result in court orders or the Issuer applies for such insolvency or equivalent proceedings; or
 - (ii) the Issuer approves a resolution pursuant to which it goes into liquidation unless this is done in connection with a merger, or other form of combination with another company and such company assumes all obligations contracted by the Issuer, in connection with the Notes and the Trust Deed.

As used herein, “**Capital Markets Indebtedness**” shall have the same meaning as provided under Condition 3.

10.2 Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation

to the Trust Deed, the Notes or the Coupons unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding and (b) it shall have been indemnified and/or pre-funded and/or secured to its satisfaction.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within 90 days, and the failure shall be continuing.

11. REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon 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 therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

12. AGENTS

The initial Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent; and
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such places as the rules of the relevant stock exchange require (which, if the relevant stock exchange is the Luxembourg Stock Exchange, shall be Luxembourg); and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.4. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 14.

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

13. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such

further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

14. NOTICES

All notices regarding the Notes will be deemed to be validly given if published (a) in a leading English language daily newspaper of general circulation in London (it is expected that such publication will be made in the *Financial Times* in London) and (b) if and for so long as the Notes are admitted to trading on, and listed on the Official List of, the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg or the Luxembourg Stock Exchange's website, www.luxse.com. The Issuer shall also ensure that notices are duly published in a manner which complies with any applicable laws and regulations and with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to listing including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Until such time as any definitive Notes are issued, there will, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such websites the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on such day as is specified in the applicable Final Terms after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

15. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION, DETERMINATION AND SUBSTITUTION

15.1 Meetings in respect of Notes

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 Noteholders (which may be at a physical location or by way of conference call or videoconference) to consider any matter affecting their interests, including any modifications of the Conditions or of any provisions of the Trust Deed. The above provisions are subject to compliance with mandatory laws, rules and regulations of the Republic of Italy in force from time to time.

The quorum and the majorities for passing resolutions at any such meetings are established by Article 2415 of the Italian Civil Code, Legislative Decree No. 58 of 24 February 1998 and the Issuer's by-laws.

Resolutions passed at any meeting of the Noteholders shall be binding on all Noteholders, 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 Noteholders, may be appointed in accordance with Article 2417 of the Italian Civil Code in order to represent the Noteholders' interest hereunder and to give execution to the resolutions of the meeting of the Noteholders.

The Trustee may, without the consent of the Noteholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition 15.1) as the principal debtor under the Notes, Coupons and the Trust Deed of another company, being (i) a Subsidiary of the Issuer, subject to the Notes being unconditionally and irrevocably guaranteed by the Issuer or (ii) any entity that may succeed to, or to which the Issuer (or any previous substitute under this Condition 15.1) may transfer, all or substantially all of the assets and business of the Issuer (or any previous substitute under this Condition 15.1) by operation of law, contract or otherwise, in any case under (i) and (ii) above subject to (a) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (b) certain other conditions set out in the Trust Deed being complied with.

As long as the Notes are admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or listed on the official list of the Luxembourg Stock Exchange, in the case of such a substitution, the Issuer will advise the Luxembourg Stock Exchange, a supplement to this Base Prospectus will be prepared and the Noteholders will be notified in accordance with Condition 14.

As used herein, "**Subsidiary**" shall have the same meaning as provided under Condition 3.

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

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct an error which is manifest or, in the opinion of the Trustee, proven. In addition, the Trustee shall be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments in the circumstances and as otherwise set out in Condition 5.3(d) without the consent of the Noteholders or Couponholders. Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise agrees, any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

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 Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders 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 Noteholder 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 Noteholders 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.

15.3 Notification to the Noteholders

Any such modification, abrogation, waiver, authorisation, determination or substitution shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise agrees, any such modification, abrogation, waiver, authorisation, determination or substitution shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

16. INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER

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 to its satisfaction.

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 of its Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of its Subsidiaries, (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 Noteholders 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.

17. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

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

19. GOVERNING LAW AND SUBMISSION TO JURISDICTION

19.1 Governing law

The Trust Deed, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes and the Coupons are governed by, and construed in accordance with, English law, save for Condition 15 and the provisions of the Trust Deed concerning the meeting of Noteholders and the appointment of the

rappresentante comune in respect of the Notes which are subject to compliance with Italian law.

19.2 Submission to jurisdiction

- (a) The English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Deed, the Notes and/or the Coupons including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes and/or the Coupons (a **Dispute**) and accordingly each of the Issuer, the Trustee and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition 19.2, the Issuer and any Noteholders or Couponholders waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

19.3 Appointment of Process Agent

The Issuer irrevocably appoints Laurentia Financial Services Limited, 23 Helena Road, London NW10 1HY as its agent for service of process in any proceedings before the English courts in relation to any Dispute, and agrees that, in the event of Laurentia Financial Services Limited being unable or unwilling for any reason so to act, it will immediately appoint another person approved by the Trustee as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

USE OF PROCEEDS

An amount equivalent to the net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, as well as for any other purpose as specified in the applicable Final Terms.

DESCRIPTION OF THE ISSUER

The legal name of the company is Telecom Italia S.p.A. also named “**TIM S.p.A.**”.

The Annual Shareholders Meeting held on 25 May 2016 approved an amendment to the company’s by-laws, permitting the company to be named “Telecom Italia S.p.A.” or “TIM S.p.A.”.

TIM is a joint-stock company established under Italian law on 29 October 1908, with registered offices in Milan at Via Gaetano Negri 1. The telephone number is +39 (02) 85951. TIM is recorded in the Milan Companies Register at number 00488410010, R.E.A. (*Repertorio Economico Amministrativo*) at number 1580695 and R.A.E.E. (*Rifiuti di Apparecchiature Elettriche ed Elettroniche*) register at number IT0802000000799.

The duration of TIM, as stated in the company’s by-laws, extends until 31 December 2100.

TIM’s website is <https://www.gruppotim.it/en.html>.

The information on <https://www.gruppotim.it/en.html> does not form part of this Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus.

After the effectiveness of the demerger of Telco S.p.A. (previously the largest shareholder of TIM and whose investors were Assicurazioni Generali S.p.A., Intesa Sanpaolo S.p.A., Mediobanca S.p.A. and Telefónica S.A.), on 24 June 2015, Vivendi, an integrated media and content group based in France, became TIM’s largest shareholder with an ownership stake in TIM equal to 14.9% of Ordinary Shares. In the following years, Vivendi further increased its shareholding in TIM and, as of 31 December 2024, Vivendi holds 23.75% of the ordinary share capital of TIM. Vivendi does not hold Savings Shares and does not have different voting rights in meetings of ordinary shareholders of TIM.

Disposal of NetCo

At its meeting of 6 July 2022, TIM’s Board of Directors approved the strategic objective of reorganizing the Company with the aim of leaving behind the Company’s vertical integration.

In November 2023, the Board of Directors of TIM S.p.A., following an extensive and in-depth examination, conducted with the assistance of leading financial and legal advisors, examined and then accepted the binding offer submitted on 16 October 2023 by Kohlberg Kravis Roberts & Co. L.P. (**KKR**) for the purchase of TIM’s fixed network assets and the shareholdings held in FiberCop and Telenergia by Optics BidCo S.p.A. (**Optics BidCo**) (a subsidiary of KKR).

In execution of the resolutions adopted, TIM S.p.A. therefore signed a transaction agreement (the **Transaction Agreement**) with Optics BidCo that governed:

- the transfer by TIM S.p.A. of a business unit (the **Business Unit**) – consisting of the activities relating to the primary network, the wholesale business and the entire shareholding in the subsidiary NetCo – to FiberCop, a company that already manages the activities relating to the secondary fibre and copper network; and
- the simultaneous purchase by Optics Bidco of the entire shareholding held by TIM S.p.A. in FiberCop itself, following the aforementioned transfer,

together, the **NetCo Transactions**.

The Transaction Agreement provided that on the closing date of the NetCo Transactions on 1 July 2024 (the **Acquisition Closing Date**), (i) an agreement governing the supply of certain services from TIM to NetCo and from NetCo to TIM would be entered into between the parties for a limited time to help ensure both entities orderly transitions following the completion of the NetCo Transactions (the **Transitional Services Agreement**) and (ii) a further master services agreement (the **Master Services Agreement** or **MSA**) was entered into, pursuant to which NetCo agreed to provide or procure certain services to TIM and TIM agreed to provide or procure certain services to NetCo.

The Transaction Agreement also provided that the consideration for the sale of the equity interest could be partially paid through the transfer of part of the TIM Group's debt at the closing of the NetCo transaction (so-called liability management).

In particular, the three "Exchange Offers" for the bonds issued by TIM S.p.A., Telecom Italia Finance S.A. and Telecom Italia Capital S.A., launched on 18 April 2024, were completed on 21 May 2024 for a nominal value of 3,669,680,000 euros for the bonds issued by TIM S.p.A. and Telecom Italia Finance S.A., and for a nominal value of USD 2,000,011,000 for the bonds issued by Telecom Italia Capital S.A.. The new notes issued by the three companies have substantially the same terms as the corresponding series of Original Notes, including insofar as their maturities, interest rates, interest payment dates and restrictive covenants. The exception will be in their Acquisition Exchange provisions and their minimum denomination provisions, where applicable. These were traded on the Closing date by means of a mandatory automatic exchange of debt from the TIM Group to the counterparty, which became the bond holder.

The authorisations required for the completion of the transaction included the following:

- authorization on distortionary foreign subsidies and authorization under the Golden Power framework (obtained in January 2024);
- authorization of the divestment from the European Commission (obtained in May 2024).

Following those authorisations, TIM S.p.A. made the transfer of the Business Unit to FiberCop with effect on 1 July 2024. Also on 1 July 2024, TIM S.p.A. sold to Optics Bidco its entire stake in the share capital of FiberCop and signed the above-mentioned master services agreement with FiberCop.

* * *

As of 31 December 2024, on the basis of the results of the Shareholders' Register, the communications made to Consob and to TIM pursuant to art. 120 of the Italian Legislative Decree no. 58 of 24 February 1998 and other available information, the significant shareholdings, higher than 3%, in the ordinary share capital of TIM S.p.A. are:

	Type of ownership	As of 31 December 2024	
		No. Ordinary Shares	% of ordinary share capital
Vivendi S.A.	(direct)	3,640,109,990	23.75
Cassa Depositi e Prestiti S.p.A.	(direct)	1,503,750,000	9.81

On 19 February 2025, the "Notification of Major Shareholding - Form 120A" was received, indicating the significant shareholding of Poste Italiane S.p.A. instead of Cassa Depositi e Prestiti S.p.A., for the same percentage.

On 21 March 2025, the “Notification of Major Shareholding - Form 120A” was received indicating a change in shareholding of Vivendi S.A. to 18.374% of ordinary share capital.

As of the date of this Base Prospectus shareholders’ ownership is:

	Type of ownership	No. Ordinary Shares	% of ordinary share capital
Vivendi S.A.	(direct)	2,816,624,910	18.374
Poste Italiane S.p.A.	(direct)	1,503,750,000	9.81

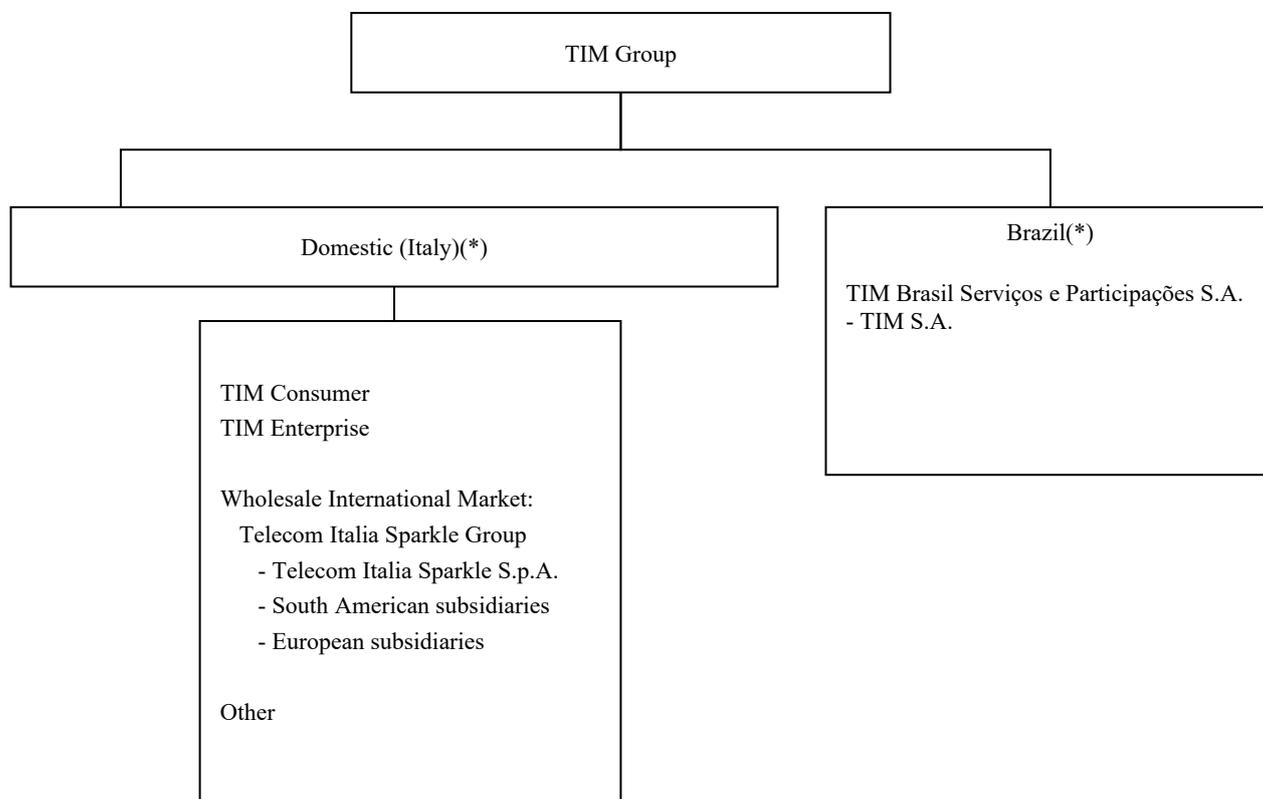
TIM complies with applicable Italian corporate governance rules. For additional details on corporate governance of the TIM Group, reference should be made to the corporate website: <https://www.gruppotim.it/en.html>, (section “Group” / “Governance” / “Governance tools” / “Corporate Governance Report”), where the Annual report on corporate governance is available.

TIM’s business objectives can be found in Article 3 of its by-laws.

Overview of the TIM Group’s Major Business Areas

TIM is the parent company of the TIM Group.

The following is a chart of the TIM Group’s Business Units as of 31 December 2024:



(*) Business Unit.

Share Capital

The table below contains a breakdown of the share capital of TIM as at 31 December 2024:

	<u>Number of Shares</u>	<u>Value (€)</u>
Issued, paid and relevant filing made with the Company Register		
Ordinary Shares ⁽¹⁾	15,329,466,496	8,381,329,775.88
Savings Shares ⁽¹⁾	6,027,791,699	3,295,673,079.22
Total	<u>21,357,258,195</u>	<u>11,677,002,855.10</u>

Note:

(1) All shares are without par value.

Business Unit

Key financial data prepared in accordance with IFRS as of 31 December 2024

As at 31 December 2024, the TIM Group was organised by business segments as follows:

- (i) **Domestic Business Unit:** includes operations in Italy for voice and data services on fixed and mobile networks for end customers (retail) and other operators (MVNOs); the operations of the Telecom Italia Sparkle group, which, at international level (Europe, the Mediterranean and South America), develops fibre optic networks for wholesale customers; the operations of Noovle S.p.A. (Cloud and Edge Computing solutions), the activities of Olivetti (products and services for Information Technology) and Domestic sector support structures.

The principal operating and financial data of the Domestic Business Unit are reported according to the following cash-generating unit (CGU):

- **TIM Consumer:** The reference perimeter is made up of the set of telephone and internet services and products managed and developed in Fixed and Mobile for individuals and families (from public telephony, caring activities and administrative management of customers) and for customers of SMEs (Small and Medium Enterprises) and SOHO (Small Office Home Office) and for the other MVNOs; it includes the company TIM Retail, which coordinates the activities of its stores;
- **TIM Enterprise:** The reference perimeter consists of the set of connectivity services and products and ICT solutions managed and developed for Top, Public Sector and Large Account customers. The following companies are included: Olivetti, TI Trust Technologies, Telsy and Noovle.
- **Wholesale International Market:** includes the activities of the Telecom Italia Sparkle Group, which operates in the market for international voice, data and internet services for fixed and mobile telecommunications operators, ISPs/ASPs (wholesale market) and multinational companies through its own networks in the European, Mediterranean and South American markets;
- **Other:** includes the financial companies Telecom Italia Capital S.A. and Telecom Italia Finance S.A. and other support activities carried out by minor companies.

- (ii) TIM's business unit in Brazil (the **Brazil Business Unit**). The Brazil Business Unit (TIM Brasil Group) provides mobile phone services, fiber optic data transmission using full IP technology and residential broadband services. In addition, the TIM Brasil group provides IoT services focused on the Agri-food, Industry, Logistics and Utilities sectors.

The table below sets forth revenues, operating profit (loss) and capital expenditures by Business Units, for each of the years ended 31 December 2024 and 2023 and number of employees as of 31 December 2024 and 31 December 2023:

		Domestic	Brazil	Other	Adjustments and eliminations	Consolidated Total
		(millions of euro, except number of employees)				
Revenues (1)	2024	10,111	4,366	-	(35)	14,442
	2023	9,937	4,412	-	(38)	14,311
Operating profit (loss)	2024	589	960	(6)	2	1,545
	2023	516	833	(8)	1	1,342
Capital expenditures on an accrual basis	2024	1,349	780	-	-	2,129
	2023	1,334	834	-	-	2,168
Number of employees at year-end (2)	2024	17,751	9,123	13	-	26,887
	2023	37,901	9,267	12	-	47,180

(1) Revenues are total revenues of the various business units of the TIM Group before elimination of intercompany sales (but after elimination of sales between companies within the same major business area).

(2) The number of employees at year-end excludes employees related to the consolidated companies considered as Discontinued operations/Non-current assets held for sale, and includes personnel with temporary work contracts.

2024 - A transformational year

2024 was a year of profound transformation for TIM, able to drastically redefine both its perimeter and its financial profile by achieving all the indicated targets and key transactions:

- the guidance for the fiscal year 2024 was achieved as indicated to the financial community;
- the multi-year project of the sale of the access network and wholesale activities (NetCo) to KKR was completed;
- the sale allowed for a drastic reduction of financial debt;
- linked to the sale the largest-ever EU liability management exercise was completed; and
- also, the sale of the residual stake in INWIT was completed.

TIM therefore closed 2024 by meeting or exceeding the Group guidance provided to the market for the third consecutive year. The Group's new structure is now driving improved performance in the domestic market, while operational efficiency and cash generation continue to grow in the Brazilian market.

Events after 31 December 2024

On 12 February 2025, TIM's Board of Directors approved the binding offer submitted by the MEF and Retelit on 11 February 2025, for the purchase of TIM's 100% stake in Sparkle, valued at 700 million euros.

The signing will take place by 11 April 2025 and the sale is expected to be finalized by the first quarter of 2026, once the preparatory activities, including obtaining Antitrust and Golden Power authorizations, will be completed.

Strategy

2025-2027 Strategic Plan

On 12 February 2025, TIM's Board of Directors approved the 2025-2027 Strategic Plan. The updated plan has been built on the previous one and aims to position the Group as the best and biggest digital and Telco platform in Italy, and as the most efficient TLC operator in Brazil.

Strategic Priorities and Objectives

The key elements that are embedded in the current Strategic Plan can be summarized along five directions:

- **Core Business Consolidation:** Focus on Customer value management with a strong push on new access technologies and shift to a digital service model.
- **Focus on Growth Areas:** Accelerate in a growing ICT market driven by the digital transition. Capture upsides beyond connectivity building on customer base and go-to-market capabilities.
- **A Data-Driven Company:** Drive process automation and digitalization, use AI and analytics for better service and value creation.
- **Cost Transformation:** Continue Cost Model Transformation leveraging a simplified perimeter and incorporating AI-driven efficiency.
- **Efficient Capital Allocation:** Prioritize investing in distinctive assets and strengthening of market position, potentially exploring inorganic options.

With regard to the individual entities comprising the TIM Group, the industrial plan sets out the following strategic lines:

- **TIM Consumer:** core business revenues will continue to stabilize, with an improvement in the downward trend in lines and growth in ARPU, and with greater customer convergence between fixed and mobile. In parallel, the ‘Customer Platform’ model will accelerate by expanding current services, launching utilities for small and medium-sized businesses in 2025, expected to generate 200 million euros in cumulative revenues by 2027, and other high value-added sectors in 2026, resulting in ‘Beyond Connectivity’ revenue growth of more than 10% over the plan period. Investments on the mobile network will enable accelerated development of 5G, with the support under the national recovery and resilience plan originally presented by Italy to the European Commission on 13 July 2021, as amended (the **NRRP**), which leverages the country's biggest spectrum and data transport network, and customer migration to FTTH will continue. In the Consumer and Small Medium Business (SMB) segments, the TIM Group is engaged in strengthening its premium positioning with a greater focus on the retention of its customer base and the penetration of ICT solutions among target customers.
- **TIM Enterprise:** Leveraging its unique positioning and competitive advantages, the acceleration of service revenues driven by further expansion in the ICT market will continue, with an evolution of offerings toward higher value-added services, amplified by positioning on key growth sectors (Cloud, Internet-enabled devices and sensors (**IoT**), Cybersecurity). The revenue mix includes a stable absolute value contribution from the connectivity business and growth in information and communications technology (**ICT**) revenues, which will exceed 70% of total revenues. The value of contracts is expected to grow to over 5 billion euros in 2027. On the Cloud, TIM Enterprise will continue to invest in its Data Center network, with a new facility operational by the end of 2026 to be added to the existing 16, plus the upgrading of two more Data Centers, for a total of about 200 million euros in investments over the plan period, increasing installed capacity by more than 25%.

Network Technology & Infrastructure

Following the NetCo Disposal, TIM still retains a unique set of technological assets to ensure the offering of distinctive services in all Consumer, SMB and Enterprise sectors: the mobile network with the widest spectrum of 5G frequencies for enhanced connectivity, managing the largest data transport network in the country, the most extensive footprint across the national territory, 16 data centres, a broad ecosystem of proprietary capabilities in Content, Cloud, IoT and automation, Cybersecurity, and Digital Trust. TIM is advancing its IT Platform towards a flexible, scalable (cloud-based), secure architecture capable of enabling a "data-driven company".

The network evolution will focus on several key elements. In Q4 2024, a network transformation project was launched to simplify, rationalise, and renew networks and platforms, aiming to reduce recurring management costs like colocation, maintenance, and service contracts. Network modernisation will include migrating platforms to the cloud, developing multi-cloud infrastructure, and adopting a "pay-as-you-go" model. Automation will evolve management systems, using AI to reduce manual tasks. TIM will also leverage Network as a Service (**NaaS**) to offer integrated, "zero-touch" services for connectivity, data centers, and security. Additionally, 5G coverage will improve, particularly at 700MHz, with better monitoring of customer experience. Finally, TIM's vision and CDN will evolve with new technologies to accelerate business growth.

Information Technology

The IT evolution vision for 2027 aims to establish a "Digital Lean Company" simplifying business and processes at the Consumer and SMB levels while enhancing the Enterprise segment with a renewed ICT catalog, standardised cloud services, high-performance Data Centers, and optimised automated processes.

The target model, modern and future-proof, includes standard capabilities such as API/SaaS-based solutions, which are easily integrable and interchangeable, as well as differentiating capabilities. This modern, future-proof model will integrate API/SaaS-based solutions, ensuring interoperability and flexibility. At the **application level**, the focus is on delivering a seamless digital experience across all channels through a unified data platform with structured and unstructured data, a single governance framework, and advanced analytics. At the **infrastructure level**, open-source solutions and hyperscale capabilities will be leveraged, standardising frameworks and processes while operating Tier 4-level Data Centers.

The IT transformation path is structured around: (i) the **"IT Reload"** initiative focuses on renewing the operating model by reviewing processes, organisational structures, and supplier sourcing strategies, alongside structural cost optimisation in software licensing, cloud migration, and core infrastructure and (ii) the **"IT Transformation"** initiative will accelerate digital transformation by advancing the Data-to-Cloud journey, enhancing digital channels, and modernising customer platforms. Additionally, it will manage core process evolution by integrating operations post-FiberCop carve-out, implementing Lean IT principles, and modernising key systems such as Prepaid, Credit, and Mainframe technologies.

The ultimate goal is to create an agile and integrated IT system that supports all business segments through standardised and efficient processes, modernised technology, and a robust digital foundation. This transformation will enhance customer experience, drive efficiency, and ensure TIM remains competitive in an evolving digital landscape.

TIM Brasil

TIM Brasil's contribution to the new plan builds on the solid results of recent years, confirming the consistency of its strategy. Further revenue growth is expected, at a rate above inflation, together with consolidation of market leadership, including through expansion of key vertical markets and a focus on cost efficiency and digitisation of services.

For the Brazilian market, the TIM Group aims at improving revenues and selective growth, while maintaining financial discipline. To achieve this goal, it seeks to strengthen its market position by leveraging mobile telephony to increase broadband usage and by exploiting opportunities arising from emerging technologies and customer behaviour changes. In respect of its strategic efforts regarding broadband, it is seeking to increase its presence in the residential broadband market by investing significant efforts and resources to expand its footprint and the density of its fibre optic broadband service (FTTx), by providing a higher-speed fixed connection closer to the customer residence, under the brand TIM UltraFibra (formally TIM Live), and launching its fixed broadband service through mobile network where the TIM Group offers broadband through long-term evolution (LTE) or 4G or 5G wireless communication networks as a type of fixed wireless access (FWA). The provision of fibre optic broadband service is a highly capital-intensive business that brings a long-term return on investments and increases the risks to the TIM Group's operation. To mitigate such risk while boosting fibre infrastructure and market access, TIM Brasil created FiberCo and sought a strategic partner. After regulatory approvals, TIM Brasil acquired a controlling stake in FiberCo (now I-Systems), aiming to accelerate residential broadband growth and unlock infrastructure value through an open network approach and focused operations. However, as a new business, residential broadband also brings new risks, particularly related to market response and customer behaviour, that could negatively impact the use of the TIM Group's mobile network resources.

Further developments will be driven by:

- core business growth by being the preferred mobile operator through maintaining the best network, enhancing digital ecosystem offerings with a refreshed strategy, and evolving the customer journey to improve overall service. In broadband, the focus will be on optimising operations and staying attuned to market changes.

- Capturing opportunities in new avenues, particularly by expanding B2B. This includes focusing on key verticals like agribusiness, logistics, and utilities, expanding the total addressable market by adding new verticals, scaling up commercial activities, and increasing IoT solutions while exploring ICT expansion through M&A.
- ensuring strict discipline in capital allocation and expenditure by adopting zero-based budgeting, optimising make vs. buy decisions, continuously improving tower leases to manage inflation, deploying capex to strengthen the network, and increasing AI adoption to boost productivity.

Financial Targets

The TIM Group's financial targets (organic data, excluding Sparkle and the effect of the reimbursement of the 1998 concession fee) are set out below:

- **Group revenues** to rise by approximately 3% on average per annum over the entire plan period (CAGR 2024-2027) from 13.7 billion euros pro-forma in 2024; for TIM Domestic revenues to grow by 2-3% on average per annum over the three-year period from 9.4 billion euros pro-forma in 2024. For 2025, Group revenues are expected to grow by 2-3%, and by 1-2% for TIM Domestic.
- Group organic **EBITDA After Lease** to rise 6-7% per annum on average over the entire plan period (CAGR 2024-2027) from 3.6 billion euros pro-forma in 2024; for TIM Domestic, EBITDA After Lease to grow by 5-6% on average per annum over the three-year period from 1.9 billion euros pro-forma in 2024. For 2025, Group organic EBITDA After Lease to grow by approximately 7%, and 5-6% for TIM Domestic.
- Group **Capex** about 14% of revenues in 2025, falling to about 13% in 2027; TIM Domestic Capex of 12-13% in 2025, falling to about 11% in 2027.
- **Equity Free Cash Flow After Lease** of approximately 0.5 billion euros in 2025 approximately 0.9 billion euros in 2026, and approximately 1.1 billion euros in 2027, for a total of approximately 2.5 billion euros accumulated over the plan period.
- **Organic reduction in Group debt**, with a Net Debt After Lease/EBITDA After Lease ratio of less than 1.9x in 2025.

Leverage will be further reduced thanks to cash generation as per the plan, and shareholder remuneration will be resumed, while maintaining financial flexibility and a solid capital structure.

The Group expects continued decline in debt for the two years 2026-2027, with a potential leverage of 1.1x.

TIM will be able to seize all the opportunities that the evolution of its financial position will offer, confirming its commitment to keep leverage below 1.7x at the end of 2027, which is a "best in class" level among European peers.

For financial years 2026 and 2027, TIM aims to remunerate its shareholders with an amount equal to about 70% of Equity Free Cash Flow After Lease, net of dividends for TIM Brasil's minority shareholders, resulting in a remuneration of approximately 0.5 billion euros in 2027 and approximately 0.6 billion euros in 2028. During 2026, the company also aims to an extraordinary remuneration from the sale of Sparkle, equal to about 50% of the proceeds (about 0.35 billion euros).

Shareholders' remuneration subjected to availability of distributable reserves, Board of Directors' and Shareholders' approval.

CAPEX

The Group will invest around 6 billion euros over the plan period, aiming to consolidate its leadership and distinctive offerings in areas such as 5G, Cloud, IoT and artificial intelligence.

Transformation Plan

At the Domestic level, the plan includes an extension of the cost transformation project, with a cumulative target of additional cost and investment reduction of over 700 million euros to 2027, driven by the simplification and downsizing of cost structures. There will be a focus on efficiency in the Consumer area and internalisation of resources and skills in the Enterprise area, with the aim of mitigating cost trends related to the change in revenue mix.

The Plan will take a holistic approach across the entire Domestic perimeter, focusing on four key dimensions. (i) The digital transformation will be accelerated by enhancing presence and offerings on digital channels (App, Web, Customer Care), updating legacy systems, and migrating them to the cloud. (ii) **Business initiatives** will focus on strengthening services and offerings to remain competitive in the market, ensuring sustainable growth and margin expansion. (iii) **The operating model** will be restructured by optimising processes and make-or-buy strategies, also leveraging artificial intelligence. (iv) A **cultural shift** will be promoted, fostering lateral thinking, a data-driven mindset, and an overall culture of innovation.

ESG

The TIM Group's strategy is driven by the desire to implement an important transformation of operating models, processes and the ecosystem of rules to provide the company with a stronger operational and financial structure and make it more resilient in the current market consolidation phase.

This context includes the Group's ESG vision, perfectly integrated into the Plan, aimed at ensuring that the transformation simultaneously generates a significant, tangible and measurable environmental and social impact.

The environmental impact represents an opportunity to improve the company's operational efficiency and to adopt advanced processes and technologies. This means optimizing energy and resource consumption, reducing operating costs, meeting increasingly strict regulations and minimizing risks associated with possible sanctions. In this context, technological innovation not only strengthens the Group's position on the market but also promotes greater resilience and adaptability.

The social impact, in the same way, involves for TIM the obligation to make organizational adjustments that respond to the main social trends, such as the evolution of working models, attention to internal organization with a view to overcoming the gender gap and the new needs of consumers. These adjustments make it possible to strengthen TIM's competitiveness, attract and retain the best talent and respond proactively to structural changes in the company.

This approach therefore represents a distinctive and strategic element, capable of promoting operational efficiency, stimulating innovation and ensuring effective risk management and control. At the same time, it makes it possible to exploit the opportunities deriving from the adoption of new technologies, the development of advanced operating models and the response to constantly evolving needs.

The Group's sustainability strategy outlined in the Plan is based on four main pillars which aim to:

- develop efficient and sustainable infrastructure (5G, fiber, data centers) by obtaining environmental certifications, strengthening the use of renewable energy, including through self-generating solar energy plants for data centers and network infrastructure elements, the reduction of emissions and resources through a long-term transition plan that also involves the production chain;

- ensure cybersecurity and prevent attacks on infrastructure and customer data by increasing the robustness and quality of control codes for IT solutions, automating test planning activities and detecting anomalies at the entry points of business systems;
- addressing the challenges and opportunities related to technological transformation by increasing investments in ICT, accelerating the adoption of artificial intelligence through the liberalization of licenses and the customization of solutions for complex processes, and by retraining and hiring talents;
- create a work environment that values skills and merit, ensuring equity and integrity as key principles for growth by introducing career development paths, increasing the presence of women and people of color (in Brazil) in leadership positions, strengthening female recruitment, implementing an equal pay monitoring system for all new hires starting in 2024.

Consistently with the strategic pillars TIM Group has established specific targets:

TIM reaffirms its commitment to driving change toward gender equality (target of 35.5% female managers by 2027, with full gender parity maintained on the Boards of Directors of Group companies).

Environmental targets (100% renewable energy by 2025 and Net Zero by 2040) represent an opportunity for the Group to further optimise the consumption energy and other resources, reduce operating costs and minimise risks related to energy price fluctuations, and enhance the leadership on environmental impact in competitive scenarios, consistently with the regulation.

The Group is targeting 17% growth per year in innovative services in Italy, with the goal of further strengthening the deployment of solutions with high social and environmental impact, such as applications for smart cities and digitisation of the public administration, i.e. services that will enact the Italian digital transition. Finally, the Group's target on the growth of digital identity services in Italy is set to +30% CAGR 2023-25.

In conclusion, the 2025-2027 strategic plan integrates business and financial objectives with ESG targets that aim to create a working environment fit for the ongoing drive for innovation present in the global market, while also promoting operational efficiency, stimulating innovation, and ensuring effective risk management and control.

Competition in the domestic market

The market

In 2023, the Italian telecommunications (TLC) market showed a slight increase in revenues (+0.8% YoY) solely attributable to the growth of fixed revenues (+4.4% YoY) and despite the decline in mobile (-4.1% YoY)⁵.

These dynamics take place in a context characterised, on the one hand, by a strong increase in consumption (particularly data traffic) and, on the other, by a continuous decline in the prices of telecommunications services and devices, contrary to the trend observed in the national consumer price index. Indeed, the market remained highly competitive, with a telecommunications price index constantly decreasing year on year (-6.6% YoY as of September 2024), despite the simultaneous growth of the general consumer price index (+0.8% YoY)⁶.

The development of broadband and ultrabroadband continued to be the main element of the evolution of the market, favouring the progressive increase in traffic carried by the networks, both for fixed lines (16.2% increase in overall daily traffic in the fixed network in the first nine months of 2024) and for mobile (15.4% increase in overall daily traffic in the mobile network in the first nine months of 2024)⁶.

A large part of this traffic is generated by the services offered by Over the Top (OTT), which do not contribute to the development of the Internet infrastructure to the same extent as the traffic generated on it. This is why the TLC operators have been asking the European Commission for some time to provide for a contribution mechanism on the part of the OTTs in favour of the operators capable of compensating for the imbalance between the level of traffic generated in the networks and the contribution made to their development and maintenance (so-called Fair Share).

Following this request, the Commission launched a series of initiatives, including the inclusion of some questions on Fair Share in the consultation launched on the future of the electronic communications sector and related infrastructures.

With regards to the current positioning of the telecommunications operators in convergent markets, certain trends are seen, already mentioned above with different levels of evolution:

- the development of new services in the sector of media and entertainment (TV, Music, Gaming) and new digital services (smart home, digital advertising, mobile payment-digital identity);
- the development of innovative services in the IT market, particularly Cloud, IoT and Cybersecurity services.

*Competition in Fixed-Line Telecommunications*⁶

The fixed-line telecommunications market has continued to see a downturn in access and voice revenues, while Broadband and Ultrabroadband revenues have shown growth. In recent years, service providers have concentrated mainly on expanding the penetration of Broadband and

⁵ Source: Annual Report AGCOM 2024 (available at https://www.agcom.it/sites/default/files/documenti/relazione_annuale/RELAZIONE%20ANNUALE_2024.pdf)

⁶ Source: AGCOM'S report N. 4/2024 (available at: https://www.agcom.it/sites/default/files/media/allegato/2024/AGCOM_Osservatorio%20n.4-2024%20english%20version_0.pdf)

Ultrabroadband services by introducing bundled voice, Broadband and service deals in a highly competitive environment with consequent pricing pressure.

The retail market continues to progressively increase the level of competition, with the HHI concentration index decreasing year on year.

In September 2024, total Fixed Access was 20.25 million and recorded a slight increase of +64 thousand units YoY (+0.3% YoY). TIM was the leading operator with a market share of 38.0%, down by -1.9 percentage points YoY; Vodafone followed with a market share of 15.5% (-0.3 percentage points YoY). WindTre had a market share of 14.4% (+0.2 percentage points YoY) while Fastweb recorded a market share of 13.1% (-0.4 percentage points YoY). Sky had a market share of 3.6% (+0.6 percentage points YoY).

Broadband accesses amounted to 19.20 million and increased by +217 thousand units YoY (+1.1% YoY).

On an annual basis, accesses in FTTH and FWA technology grew (respectively, 5.53 million, +27.0% YoY and 2.30 million, +10.5% YoY), whilst accesses in FTTC and ADSL decreased (respectively, 9.30 million, -6.7% YoY and 2.01 million, -21.5%).

Competition in Mobile Telecommunications⁶

In the third quarter of 2024, total mobile lines (Human+ M2M) amounted to 109.0 million with an annual growth of +509 thousand units (+0.5% YoY): M2M lines grew, reaching 30.4 million, +730 thousand units YoY (+2.5%), whilst Human lines decreased to 78.6 million, -221 thousand units YoY (-0.3%).

The competitive scenario of the Italian mobile telecommunications market in 2023 continues to be characterised by an aggressive offer from the operator Iliad in terms of price and volume of data, followed by those of the MVNOs, resulting in general pressure on market prices. The operator Iliad and the virtual operators in general continue to win over customers and, consequently, market share, to the detriment of other infrastructured operators, mainly those with the highest market share.

In the third quarter of 2024 TIM is market share leader of the total mobile market (Human + M2M) with a share of 27.1% (-0.8 percentage points YoY), followed by Vodafone with a market share of 26.4% (-0.8 percentage points YoY) and by WindTre with a market share of 23.7% (stable YoY).

Considering only the Human lines, WindTre is the leader with a market share of 24.0%, down by -0.7 percentage points YoY; followed by TIM with a market share of 23.5% down by -0.7 percentage points YoY, Vodafone with a market share of 21.0% down by -0.9 percentage points YoY and Iliad with a market share of 14.6% up +1.3 percentage points YoY.

The competition on 5G continues with the simultaneous presence of multiple operators for mobile offers and a progressive coverage of the main cities. The spread of 5G has also begun in the business segment, enabling specialised solutions for the vertical markets, even if the spread of these services in this segment has not yet taken off.

Competition in the Brazilian market⁷

At the end of 2024, the Brazilian mobile market reached 263.4 million lines, which is 7.1 million lines (or +2.8%) higher than at the end of 2023. In the past 12 months, postpaid net additions reached 12.3

⁷ Source: Data available at the following link https://www.teleco.com.br/en/en_ncel.asp

million users and surpassed the 5.3 million drop in prepaid users. At the end of 2024, postpaid lines (including M2M) represented 61% of the total market. Mobile market shares in Brazil are changing following the market consolidation process initiated in 2019: Vivo (a subsidiary of Telefonica Spain) remains the leader with 38.8%, Claro (America Movil's subsidiary) reached 33.1%, TIM Brasil remains third with 23.6%.

REGULATION

As a telecommunications operator, the TIM Group is subject to sector-specific telecommunications regulations, general competition law and a variety of other regulations, including privacy and security, which can have a direct and material effect on the Group's business areas.

For a discussion of the legislative framework and the recent legislative key developments relating to the TIM Group, see the section: "*Main changes in the regulatory framework*" set out in the Report on Operations of the TIM 2024 Consolidated Financial Statements which is incorporated by reference in this Base Prospectus (see: "*Documents Incorporated by Reference*").

Please also see "*Risk Factors – The TIM Group operates in a heavily regulated industry and regulatory decisions or changes in the regulatory environment, as well as failure to comply with such regulatory framework, could adversely affect its business.*"

LITIGATION

In the ordinary course of its business the TIM Group is subject to various civil and administrative proceedings, as well as certain arbitral and criminal proceedings.

As at 31 December 2024, the TIM Group has accrued provisions totalling 336 million euro for those disputes described below where the risk of losing the case has been considered probable.

For a discussion of the most significant judicial, arbitration and tax disputes in which the TIM Group is involved at 31 December 2024, as well as those that came to an end during the period, see Note 25 to the TIM 2024 Consolidated Financial Statements which is incorporated by reference in this Base Prospectus (see: “*Documents Incorporated by Reference*”).

Please also see “*Risk Factors – The TIM Group is involved in disputes and litigation with regulators, competition authorities, competitors and other parties, including its shareholders, and is the subject of a number of investigations by judicial authorities, the ultimate outcome of which is generally uncertain.*”

TIM GROUP – SELECTED FINANCIAL INFORMATION AND STATISTICAL OPERATING DATA

Financial information prepared in accordance with IFRS as of and for the years ended 31 December 2024 and 2023

The financial information is presented in the 2024 and 2023 Audited Consolidated Financial Statements of the TIM Group (which are incorporated by reference herein) and which have been audited by EY S.p.A.

The economic and financial results of the TIM Group for the 2024 financial year and the previous financial year, presented for comparison, have been prepared in accordance with IFRS accounting principles issued by the International Accounting Standards Board and approved by the European Union (referred to as 'IFRS'). The accounting criteria and consolidation principles adopted are consistent with those used in the consolidated financial statements of the TIM Group as of 31 December 2023, except for the changes to the accounting principles issued by the IASB and in force from 1 January 2024.

Following the NetCo disposal, in order to provide a better understanding of business performance, organic economic and financial information relating to performance in 2024 and 2023 for the so-called TIM ServCo perimeter are presented, restated on the basis of managerial information. This organic information is prepared by simulating the separation of the fixed network, with the creation of the NetCo component and the consequent definition of the TIM ServCo perimeter as if it had taken place at the start of the reporting period (1 January). Therefore, for all organic data the 'like-for-like' definition is used to highlight both organic information (Business Unit Brazil) and organic information as restated above (TIM S.p.A., Business Unit Domestic, TIM Group), simulating for the first half of 2024, the impact of the relationship between TIM and NetCo/FiberCop, governed by the Master Service Agreement (MSA) and recording, for the second half of the year, the actual accounting impact of the MSA and the Transitional Services Agreement (TSA).

TIM Group, in addition to the conventional financial performance measures established by the IFRS Accounting Standards, uses certain alternative performance measures in order to present a better understanding of the trend of operations and financial condition.

Specifically, these alternative performance measures refer to: EBITDA; EBIT; organic change and impact of non-recurring items on revenues, EBITDA and EBIT; EBITDA margin and EBIT margin; Net financial debt carrying amount and adjusted net financial debt; Equity free cash flow; Cash flow from operations; Cash flow from operations (net of licences). Following the adoption of IFRS 16, the TIM Group also presents the following additional alternative performance measures: EBITDA After Lease (**EBITDA-AL**), Adjusted net financial debt After Lease, Equity Free Cash Flow After Lease.

In line with the ESMA guidance on alternative performance measures (Guidelines ESMA/2015/1415), the meaning and contents of such are explained in the section on "Alternative performance measures" and the analytical detail of the amounts of the reclassifications introduced and of the methods for determining indicators is provided.

DIRECTORS, EXECUTIVE OFFICERS AND STATUTORY AUDITORS

Directors

A full renewal of the Board of Directors took place on 23 April 2024, following the natural expiry of the mandate of the Directors.

The Board of Directors of TIM on 24 April 2024 appointed Alberta Figari as Chairman and Pietro Labriola as Chief Executive Officer of the Company.

As of the date of this Base Prospectus, the Board of Directors of TIM was composed of the following directors:

Name	Age	Position	Appointed	Other principal activities performed by the Director Officers outside of TIM Group
Alberta Figari (1)	60	Chairman	2024	Director of the Board of Treccani S.p.A and of Assonime Chairman of the Board of Fondazione TIM, Member of the Corporate Governance Committee of Borsa italiana
Pietro Labriola (2)	57	Chief Executive Officer	2024	Board member of GSMA, Director in Istituto Europeo di Oncologia, Member of the General Board of Confindustria, Vice Chairman in Asstel, Representative member in the General Board in ASPEN Institute Italia
Domitilla Benigni (1)	55	Director	2024	Director and General manager of Elettronica S.p.A; Chairman and CEO of CY4GATE S.p.A., Chairman of Women4Cyber Italia ETS
Paola Camagni (1)	54	Director	2024	Chairman of the Board of Statutory Auditors of AGI – Agenzia Giornalistica Italia S.p.A. Independent Director (not executive) and member of the Management Control Committee of UniCredit S.p.A., Independent Director (not executive) of FSI SGR S.p.A.
Federico Ferro Luzzi (1)	56	Director	2024	Independent Director and Chairman of the Nominations and Remuneration Committee, member of Control and Risk Committee, Related Parties and Sustainability Committee at Garofalo HC S.p.A.. Director and member of Control and Risk Committee and of Related Parties Committee in Reply S.p.A, Acting Auditor of Power4Future S.p.A and of HMS IT S.p.A.

Giovanni Gorno Tempini (3)	63	Director	2024	Chairman of the Board of Directors of Cassa Depositi e Prestiti, of CDP Reti S.p.A and of CDP Equity S.p.A. Chairman of the Board of Directors of F.I.L.A. - Fabbrica Italiana Lapis e Affini Vice Chairman of the Board in AVIO;
Paola Giannotti De Ponti (1)	63	Director	2024	Non -Executive Director Piraeus Financial Holding and also Member of the Risk Committee and of the Remuneration Committee and of the Nomination Committee
Umberto Paolucci (1)	81	Director	2024	Director of the Board of UPinvest S.r.l
Stefano Siragusa (1)	49	Director	2024	Legal Representative of Rari Nantes S.r.l. Legal Representative of AIXCEEDS Srl Legal Representative of LegAI.X Srl

(1) Independent Director according to legal requirements. For details on the criteria applied to determine independence, see “Item 10. Additional Information—10.1 Corporate Governance”.

(2) He was appointed as Chief Executive Officer/General Manager as of 18 November 2018; the Board of Directors on April 1 2021 confirmed him as CEO/General Manager; the Shareholders Meeting on 23 April 2024 confirmed him as Director and the Board of Directors on 24 April 2024 appointed him as CEO/General Manager.

(3) He was confirmed as not Independent Director by the Shareholders Meeting on 23 April 2024.

The business address of each of the members of the Board of Directors is Via Gaetano Negri 1, 20123 Milan, Italy.

Executive Officers

As of the date of this Base Prospectus, the executive officers of TIM and their respective positions were as follows:

Name	Age	Position	Appointed
Directors:			
Pietro Labriola	57	Chief Executive Officer/General Manager	
Managers:			
Calaza Adrian	57	Chief Financial Office	(1)
Chiriotti Paolo	54	Chief Human Resources & Organization Office	(2)
Leone Giampaolo	54	Procurement & Logistics	(3)
Mazzilli Roberto	58	Chief IT Group Office	(4)
Nuzzolo Agostino	56	Legal Regulatory & Tax	(5)

<u>Ongaro Claudio Giovanni Ezio</u>	56	<u>Chief Strategy Business Development & Wholebuy Office</u>	(6)
<u>Rossini Andrea</u>	54	<u>Chief Consumer Small & Medium and Mobile Wholesale Market Office</u>	(7)
<u>Santagata Eugenio</u>	51	<u>Chief Public Affairs Security and International Business Office</u>	(8)
<u>Schiavo Elio</u>	61	<u>Chief Enterprise & Innovative Solution Office</u>	(9)

- (1) Since 1st March 2022.
(2) Since 30th March 2022.
(3) Since 24th October 2024
(4) Since 27th September 2024
(5) Since 9th January 2017
(6) Since 10th December 2021
(7) Since 21st February 2022
(8) Since 9th April 2022
(9) Since 16th May 2022

The business address of each of the executive officers is Via Gaetano Negri 1, 20123 Milan, Italy.

* * *

Board of Statutory Auditors

On 23 April 2024, the Shareholders Meeting appointed the present Statutory Board of Auditors, who will remain in office until approval of the 2026 financial statements. Based on the slates submitted by the shareholders, five Acting Auditors and four Alternate Auditors have been appointed.

The Shareholders' Meeting also appointed Auditor Francesco Fallacara as Chairman of the Board of Statutory Auditors.

The Board of Directors of the 24 April 2024 meeting confirmed the Statutory Auditor Ms Anna Doro as member of the Supervisory Body pursuant to legislative decree 231/2001.

As of the date of this Base Prospectus, the Board of Statutory Auditors of TIM was composed of the following Auditors:

<u>Name</u>	<u>Position</u>	<u>Appointed</u>
<u>Francesco FALLACARA (1)</u>	Chairman	2024
<u>Massimo GAMBINI</u>	Acting Auditor	2024
<u>Mara VANZETTA</u>	Acting Auditor	2024
<u>Anna DORO (1)</u>	Acting Auditor	2024
<u>Francesco SCHIAVONI PANNI</u>	Acting Auditor	2024

Massimiliano DI MARIA	Alternate Auditor	2024
Laura FIORDELISI (1)	Alternate Auditor	2024
Carlotta VENEZIANI	Alternate Auditor	2024
Paolo PRANDI (1)	Alternate Auditor	2024

Elected by minority shareholders.

The business address of each of the members of the Board of Statutory Auditors is Via Gaetano Negri 1, 20123 Milan, Italy.

The positions held by the members of the Board of Statutory Auditors in other listed companies are shown below:

Francesco Fallacara	Chairman of Boards of Statutory Auditors of Maire Tecnimont S.p.A and of Nextchem S.p.A., Acting Auditor of ENI Progetti S.p.A., Acting Auditor of Nextchech Tech S.p.A, Acing Auditor ENI Natural Energies S.p.A and Acting Auditor of Telecom Italia Sparkle S.p.A., Acting Auditor Cartiere di Guarmino S.p.A.. Non Executive Director of Argo Global Ass. S.p.A.
Massimo Gambini	Acting Auditors of Poligrafici Printing SpA Bologna
Mara Vanzetta	Chairman of the Board of Statutory Auditors and member of the Board of Azimut Benetti S.p.A., Guala S.p.A., Pagani S.p.A., Sonatrach Raffineria Italiana S.p.A. as well as independent director of Tod's S.p.A.
Anna Doro	Independent Director, Chair of the Control and Risk Committee, Member of Related Parties Committee of Banca Popolare di Sondrio S.p.A., Chairman of the Supervisory Body of Cellularline S.p.A., of SOF S.p.A. and of Torre del Sale S.p.A.
Francesco Schiavone Panni	Chairman of the Board of Statutory Auditors of Banca Mediolanum S.p.A.

The Board of Auditors verifies compliance with the law and the Bylaws and verifies adherence to the best administration principles, the adequacy and reliability of corporate structures, internal audit procedures and accounting system, and the adequacy of instructions given by TIM to its subsidiaries. The Board of Auditors must receive timely disclosures, at least quarterly, from the Board of Directors about the company's business and significant transactions performed by the company and its subsidiaries, including related parties' transactions. Statutory Auditors must inform CONSOB of any irregularity they detect in the course of their duties and are required to attend Shareholders' Meetings, Board of Directors' meetings.

Potential Conflicts of Interest

Some of the Directors and Statutory Auditors of TIM, in addition to their functions in TIM, hold management and/or supervisory functions in other companies and/or institutions (see "*Directors*", "*Description of Directors' Outside Interests*" and "*Board of Statutory Auditors*");

As at the date of this Base Prospectus, there are no potential conflicts of interest between the duties to TIM or its directors and executive officers, and their private interests and/or duties.

TAXATION

The following overview contains a description of certain Italian tax consequences in respect of the purchase, ownership and disposal of the Notes. This overview is based on the laws in force in Italy as at the date of this Base Prospectus (as they are currently applied by the Italian tax authorities) and is subject to any changes in such laws occurring after such date, which changes could be made also on a retroactive basis.

The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the Italian tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

Law 111/2023 delegates power to the Italian Government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the tax reform of the tax system. According to Law 111/2023, the tax reform may significantly change the taxation of financial income 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 assessed or predicted with certainty at this stage as for the time being not all laws and legislative decrees needed to implement such tax reform have been enacted. The information provided in this Base Prospectus may not therefore reflect the future tax landscape accurately (see also “Risk Factors – Risk related to the pending Italian tax reform”). Noteholders should be aware that the amendments that may be introduced to the tax regime of financial income and capital gains could increase the taxation on interest, similar income and/or capital gains accrued or realised under the Notes and could result in a lower return of their investments.

Italian taxation

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Italy, though it is not intended to be, nor should it be constructed to be, legal or tax advice. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes, including the application to their particular situation of the tax considerations discussed below.

The statements herein regarding Italian taxation are based on the laws in force in Italy as of the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis.

Tax treatment of Notes

Legislative Decree No. 239 of 1 April 1996 (**Decree No. 239**), as subsequently amended, 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) from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by Italian listed companies. For these purposes, pursuant to Article 44, paragraph 2, letter (c) of the Presidential Decree No. 917 of 22 December 1986 (the **Italian Tax Code** or the **ITC**), as amended and supplemented from time to time, bonds and “debentures similar to bonds” are defined as securities that: (i) incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value; that (ii) do not give any right to directly or indirectly participate in the management

of the issuer or of the business in relation to which they are issued nor any type of control on the management; and that (iii) do not provide for a remuneration which is linked to profits.

Italian resident Noteholders

Where an Italian resident Noteholder is (i) an individual not engaged in entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the “*risparmio gestito*” regime – see under “*Capital gains tax*” below), (ii) a non-commercial partnership pursuant to Article 5 of the ITC, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, interest, premium and other income (other than capital gains) (**Interest**) relating to the Notes, accrued during the relevant holding period, are subject to a tax withheld at source, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent..

Subject to certain conditions (including a minimum holding period) and limitations, interest, premium and other income relating to the Notes may be exempt from any income taxation (including from the 26 per cent. *imposta sostitutiva*) if the Noteholders 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 Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of 11 December 2016, as subsequently amended and supplemented (the **Finance Act 2017**), Article 1(211-215) of Law No. 145 of 30 December 2018, as subsequently amended and supplemented (the **Finance Act 2019**), or Article 13-bis of Law Decree No. 124 of 26 October 2019, converted into Law No. 157 of 19 December 2019, as subsequently amended and supplemented (including by Article 136 of Law Decree No. 34 of 19 May 2020) (the **Fiscal Decree Linked to the Finance Act 2020**), Article 1 (219-225) of Law No. 178 of 30 December 2020, as subsequently amended and supplemented (the **Finance Act 2021**), Article 1 (26-27) of Law No. 234 of 2021, as subsequently amended and supplemented (the **Finance Act 2022**) and Article 8-*quinquies* of Law Decree No. 145 of 18 October 2023, converted into Law No. 191 of 15 December 2023 (the **Law Decree No. 145**), as subsequently amended and supplemented.

If the Noteholders described under (i) and (iii) above are engaged in an entrepreneurial activity to which the Notes are connected, *imposta sostitutiva* applies as a provisional tax.

Where an Italian resident Noteholder is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected, and the Notes are deposited with an authorised intermediary, Interest from the Notes will not be subject to *imposta sostitutiva* but must be included in the relevant annual Noteholder’s income tax return and are therefore subject to general Italian corporate taxation (**IRES**), generally levied at the rate of 24%⁸. Banks and other financial institutions will be also subject to an additional to IRES levied at the rate of 3.5%. In certain circumstances, depending on the status of Noteholder, also regional tax on productive activities **IRAP** may apply. IRAP is generally levied at the rate of 3.9% while banks or other financial institutions will be subject to IRAP at the special rate of 4.65%; in any case regions may vary the IRAP rate by up to 0.92%.

Under the current regime provided by Law Decree No. 351 of 25 September 2001, converted into law with amendments by Law No. 410 of 23 November 2001 (**Decree No. 351**), Article 32 of Law Decree No. 78 of 31 May 2010, converted into law with amendments by Law No. 122 of 30 July 2010, and Article 2(1)(c) of Decree No. 239, as all amended and supplemented, payments of Interest in respect of the Notes made to Italian resident real estate investment funds qualifying as such from a legal and

⁸ Law No. 207 of 30 December 2024 (2025 Budget Law) introduced a provisional special reduction of the IRES rate to 20%, applicable, for the time being, exclusively for FY2025. Requirements to qualify for this reduction include, among others: (i) the taxpayer temporarily retaining at least 80% of its 2024 earnings for no less than two fiscal years, (ii) investing a certain amount in qualifying assets, which must be the greater of 30% of the 2024 retained earnings or 24% of the 2023 overall earnings, and (iii) sustaining or increasing certain levels of employment as defined by the law. Recapture mechanisms apply if the conditions for the tax rate reduction are not maintained or if the qualifying assets listed sub (ii) are transferred.

regulatory perspective are subject neither to *imposta sostitutiva* nor to any other income tax at the level of the real estate investment fund, but a withholding or substitute tax of 26 per cent. will apply, in certain circumstances, to income realised by unitholders in case of distributions, redemption or sale of the units.

Pursuant to Article 9 of Legislative Decree No. 44 of 4 March 2014 (**Decree No. 44**), the same regime is applicable to Italian real estate SICAFs (**Real Estate SICAFs**) qualified as such from a civil law perspective.

Where an Italian resident Noteholder is an open-ended or a closed-ended (non-real estate) investment fund, a *Società di Investimento a Capitale Fisso (SICAF)* or a *Società di Investimento a Capitale Variabile (SICAV)* established in Italy (together, the **Fund**) and either (i) the Fund or (ii) its manager is subject to the supervision of a regulatory authority and the Notes are deposited with an authorised intermediary, Interest accrued during the holding period on such Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such result, but a withholding tax of 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, which will be subject to a 20 per cent. substitute tax. Subject to certain conditions (including a minimum holding period) and limitations, Interest relating to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Finance Act 2017 and in Article 1(211-215) of the Finance Act 2019, or Article 13-bis of the Fiscal Decree Linked to the Finance Act 2020, Article 1 (219-225) of the Finance Act 2021, Article 1 (26-27) of the Finance Act 2022 and Article 8-*quinquies* of Law Decree No. 145.

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare (SIMs)*, fiduciary companies, *società di gestione del risparmio (SGRs)*, stockbrokers and other entities identified by a decree of the Ministry of Economy and Finance, as subsequently amended and supplemented (each an **Intermediary**).

An Intermediary, to be entitled to apply the *imposta sostitutiva*, must (i) be (a) resident in Italy or be a permanent establishment in Italy of a non-Italian resident financial intermediary or (b) a non-Italian resident financial intermediary – acting through a central securities depository – which is directly connected with Italian Revenue Agency, having appointed an Italian tax representative for the purposes of Legislative Decree 239 and (ii) intervene, in any way, in the collection of interest or in the transfer of the Notes. For the purpose of the application of *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited. Where the Notes are not deposited with an Intermediary, *imposta sostitutiva* is applied and withheld by any entity paying interest to a Noteholder.

Non-Italian resident Noteholders

Where the Noteholder is a non-Italian resident without a permanent establishment in Italy to which the Notes are effectively connected, an exemption from *imposta sostitutiva* applies provided that the non-Italian resident beneficial owner is either: (i) resident, for tax purposes, in a country which allows for a satisfactory exchange of information with the Republic of Italy as listed in the Italian Ministerial Decree of 4 September 1996, as amended from time to time, or in any other decree to be issued in the future under the authority of Article 11(4)(c) of Decree No. 239, as lastly amended by Italian Ministerial Decree dated 23 March 2017, (the **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) an institutional investor which is incorporated in a country included in the White List, even if it does not possess the status of a taxpayer in its own country of residence.

In order to ensure gross payment, non-Italian resident Noteholders without a permanent establishment in Italy to which the Notes are effectively connected must (i) be the beneficial owners of the payments of interest, premium or other income, (ii) deposit the Notes with a resident bank or SIM, or a permanent establishment in Italy of a non-Italian resident bank or SIM or with a non-Italian resident entity or company participating in a central securities depository which is in contact, via computer, with the Italian Revenue Agency and (iii) file with the relevant depository, prior to or concurrently with the deposit of the Notes, a statement of the relevant Noteholder, which remains valid until withdrawn or revoked, in which the Noteholder declares to be eligible to benefit from the applicable exemption from the *imposta sostitutiva*. Such statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in Italy nor in case of foreign Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by the Ministerial Decree of 12 December 2001, as subsequently amended.

Imposta sostitutiva will be applicable at the rate of 26 per cent. (or, in any case, at the reduced rate provided for by the applicable double tax treaty, if any) to Interest paid to Noteholders who do not fall in any of the above mentioned categories or do not timely and properly comply with the set of procedural requirements. The 26% *imposta sostitutiva* may be reduced by applicable double tax treaty, if any.

Atypical securities

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) or in the category of shares or instruments similar to shares are subject, as atypical securities (*titoli atipici*), to a withholding tax, levied at the rate of 26 per cent. pursuant to Law Decree No. 512 of 30 September 1983.

In the case of Notes, where the Noteholder is (i) an Italian individual engaged in an entrepreneurial activity to which the Notes are connected, (ii) an Italian company or a similar Italian commercial entity, (iii) a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected, (iv) an Italian commercial partnership pursuant to Article 5 of the ITC or (v) an Italian commercial private or public institution, such withholding tax is a provisional withholding tax. In all other cases, the withholding tax is a final withholding tax. For non-Italian resident Noteholders, the withholding tax rate may be reduced under the applicable tax treaty, if any.

Subject to certain conditions (including a minimum holding period requirement) and limitations, Interest, relating to the Notes may be exempt from any income taxation (including from the 26 per cent. withholding tax) if the Noteholders 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 Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets all the requirements set forth in Article 1(100-114) of Finance Act 2017 and in Article 1(211-215) of the Finance Act 2019, or Article 13-bis of the Fiscal Decree Linked to the Finance Act 2020, Article 1 (219-225) of the Finance Act 2021, Article 1 (26-27) of the Finance Act 2022 and Article 8-*quinquies* of Law Decree No. 145.

If the Notes are issued by a non-Italian resident Issuer, the withholding tax mentioned above does not apply to interest payments made to a non-Italian resident Noteholder and to an Italian resident Noteholder which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership or (iii) a commercial private or public institution. If Notes issued by a non-Italian resident Issuer and beneficially owned by non-Italian

residents are deposited with an Italian intermediary (or permanent establishment in Italy of foreign intermediary) or are sold through an Italian intermediary (or permanent establishment in Italy of foreign intermediary) or in any case an Italian resident intermediary (or permanent establishment in Italy of foreign intermediary) intervenes in the payment of interest and other income on such Notes, to ensure payment of interest and other income without application of Italian taxation a non-Italian resident Noteholder may be required to produce to the Italian bank or the relevant intermediary a self-declaration stating that he, she or it is not resident in Italy for tax purposes. In the case of non-Italian resident Noteholders without a permanent establishment in Italy to which the Notes are effectively connected, the withholding tax may be reduced by the applicable double tax treaty, if any, subject to timely filing of the required documentation.

Capital gains tax

Italian resident Noteholders

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the status of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company or a similar commercial entity, including the permanent establishment in Italy of foreign entities to which the Notes are effectively connected, or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is (i) an individual holding the Notes not in connection with an entrepreneurial activity, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to *imposta sostitutiva*, levied at the rate of 26 per cent.. Under certain conditions and limitations, Noteholders may set off in full or in part losses with gains.

Subject to certain conditions (including a minimum holding period requirement) and limitations, capital gains realised upon sale or redemption of the Notes may be exempt from any income taxation (including from the 26 per cent. *imposta sostitutiva*) if the Noteholders 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 Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets all the requirements set forth in Article 1(100-114) of Finance Act 2017 and in Article 1(211-215) of the Finance Act 2019, or Article 13-bis of the Fiscal Decree Linked to the Finance Act 2020, Article 1 (219-225) of the Finance Act 2021, Article 1 (26-27) of the Finance Act 2022 and Article 8-*quinquies* of Law Decree No. 145. According to Article 1 (219-225) of the Finance Act 2021, as amended and supplemented by the Finance Act 2022, under certain conditions, capital losses realised by Italian resident individuals not engaged in an entrepreneurial activity upon sale or redemption of the Notes if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets specific requirements, give rise to a tax credit equal to the capital losses, provided that such tax credit does not exceed: (i) the 20% of the amount invested in the long-term saving accounts (*piano individuale di risparmio a lungo termine*) for investments made within 2021; and (ii) the 10% of the amount invested in the long-term saving accounts (*piano individuale di risparmio a lungo termine*) for investments made within 2022.

In respect of the application of *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

- a) “*Regime della dichiarazione*”. Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Italian Noteholders under (i) to (iii) above, *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual Noteholder holding the Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. The relevant Noteholder must indicate the overall

capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

- b) “*Regime del risparmio amministrato*”. As an alternative to the tax declaration regime, Italian resident individual Noteholders under (i) to (iii) above may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the *risparmio amministrato* regime). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries (including permanent establishments in Italy of foreign intermediaries) and (ii) an express election for the *risparmio amministrato* regime being timely made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in the annual tax return.
- c) “*Regime del risparmio gestito*”. Any capital gains realised by Italian Noteholder under (i) to (iii) above who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the so-called *risparmio gestito* regime 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 Noteholder is not required to declare the capital gains realised in the annual tax return.

Any capital gains realised by a Noteholder that is an Italian real estate investment fund or any Italian real estate SICAF to which the provisions of Decree No. 351 or Decree No. 44 as subsequently amended apply will be subject neither to *imposta sostitutiva* nor to any other income tax at the level of the real estate investment fund or the real estate SICAF. However, a withholding tax or a substitute tax at the rate of 26 per cent. will apply, in certain circumstances, to income realised by unitholders or shareholders in case of distributions, redemption or sale of the units or shares.

Any capital gains realised by an Italian Noteholder that is a Fund, a SICAF or a SICAV will not be subject to *imposta sostitutiva*, but will be included in the result of the relevant portfolio accrued at the end of the relevant tax period. Such result will not be taxed at the level of the Fund, the SICAF or the SICAV, but income realised by unitholders or shareholders in case of distributions, redemption or sale of the units or shares, may be subject to a withholding tax of 26 per cent..

Any capital gains realised by a Noteholder that is an Italian pension fund (subject to the regime provided for by Article 17 of Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. substitute tax. Subject to certain conditions (including a minimum holding period requirement) and limitations, capital gains on the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Finance Act 2017 and in Article 1(211-215) of Finance Act 2019, or Article 13-bis of the Fiscal Decree Linked to the Finance Act 2020, Article 1 (219-225) of

the Finance Act 2021, Article 1 (26-27) of the Finance Act 2022 and Article 8-*quinquies* of Law Decree No. 145.

Non-Italian resident Noteholders

Capital gains realised by non-Italian resident Noteholders, not having a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of Notes traded on regulated markets are not subject to *imposta sostitutiva*.

Capital gains realised by non-Italian resident Noteholders, not having a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of the Notes not traded on regulated markets are not subject to *imposta sostitutiva* provided that the beneficial owner (i) is resident for income tax purposes in a country included in the White List; or (ii) is an international entity or body set up in accordance with international agreements which have entered into force in Italy; or (iii) is a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) is an institutional investor which is incorporated in a country included in the White List, even if it does not possess the status of a taxpayer in its own country of residence. If none of the conditions described above is met, capital gains realised by non-Italian resident Noteholders from the sale or redemption of the Notes not traded on regulated markets are subject to *imposta sostitutiva* at the current rate of 26 per cent. under the *risparmio amministrato* regime rules, which is the default regime for non-Italian resident investor, unless the latter has opted for the tax declaration regime or, alternatively, for the *risparmio gestito* regime).

In any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a double tax treaty with Italy providing that capital gains realised upon the sale or redemption of the Notes are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon the sale or redemption of the Notes.

Inheritance and gift taxes

The transfers of any valuable asset (including the Notes) as a result of death or donation (or other transfers for no consideration) and the creation of liens on such assets for a specific purpose are taxed as follows:

- (i) transfers in favour of the spouse and of direct descendants or ascendants are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding € 1,000,000 (per beneficiary);
- (ii) transfers in favour of the brothers or sisters are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the value of the inheritance or the gift exceeding € 100,000 (per beneficiary);
- (iii) transfers in favour of all other relatives up to the fourth degree or relatives-in-law up to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift; and
- (iv) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the beneficiary of any such transfer is a disabled individual, whose disability is recognised pursuant to Law No. 104 of 5 February 1992, the tax is applied only on the value of the assets (including the Notes) received in excess of € 1,500,000 at the rates illustrated above, depending on the type of relationship existing between the deceased or donor and the beneficiary.

With respect to listed Notes, the value for inheritance and gift tax purposes is the average stock exchange price of the last quarter preceding the date of the succession or of the gift (increased by the interest accrued meanwhile). With respect to unlisted Notes, the value for inheritance and gift tax purposes is determined by reference to the value of listed debt securities having similar features or based on other certain elements.

Under certain conditions, the *mortis causa* transfer of financial instruments included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by law are exempt from inheritance taxes.

Wealth Tax on Financial Products Held Abroad

In accordance with Article 19 of Decree No. 201 of 6 December 2011, converted with Law No. 214 of 22 December 2011, as subsequently amended and supplemented, Italian resident individuals, non-commercial entities and certain partnerships including *società semplici* or similar partnerships pursuant to Article 5 of the ITC holding financial products – including the Notes – outside of the Italian territory are required to pay a wealth tax (***Imposta sul valore delle attività finanziarie detenute all'estero - IVAFE***). The applicable tax rate is 0.2 per cent of the value of such assets (0.4 per cent., as of 2024, in case of financial assets held in States or territories with privileged tax regime identified by the Ministerial Decree of the Ministry of Economy and Finance of 4 May 1999) and the tax is determined in proportion to the period of ownership. Based on Art. 134 of Law Decree 34 of 19 May 2020 (converted into law No. 77 of 17 July 2020), the wealth tax cannot exceed €14,000, for taxpayers other than individuals.

The tax applies on the market value of the securities at the end of the relevant year or – in the lack of the market value – on the nominal value or redemption value of such financial products held outside of the Italian territory. Taxpayers can generally deduct from the tax a tax credit equal to any wealth taxes paid in the State where the financial products are held (up to the amount of the Italian wealth tax due).

Stamp duty

Pursuant to Article 13(2-ter) of the Tariff, Annex A, Part I, attached to Presidential Decree No. 642 of 26 October 1972, a proportional stamp duty applies on a yearly basis at the rate of 0.2 per cent. on the market value or – in the lack of a market value – on the nominal value or the redemption amount of any financial product (including the Notes). The stamp duty cannot exceed € 14,000, for taxpayers other than individuals. 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 (as defined in the regulations issued by the Bank of Italy of 20 June 2012, as subsequently amended and restated) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory. The communication is deemed to be sent to the customers at least once a year, even for instruments for which it is not mandatory. Stamp duty applies both to Italian resident Noteholders and to non-Italian resident Noteholders, to the extent that the Notes are held with an Italian based financial intermediary (and not directly held by the Noteholders outside Italy, in which case wealth tax (see “*Wealth Tax on financial products held abroad*” applies to Italian resident Noteholders only).

Transfer tax

Contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds are subject to fixed registration tax at rate of € 200; (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

Tax monitoring

Pursuant to Law Decree No. 167 of 28 June 1990, ratified and converted by Law No. 227 of 4 August 1990, as amended and supplemented, individuals, non-commercial partnerships and non-

commercial entities which are resident of Italy for tax purposes and which over the fiscal year hold or are beneficial owners of investments abroad or have financial activities abroad must, in certain circumstances, disclose such investments or financial activities to 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 a € 15,000 threshold throughout the year, which *per se* do not require such disclosure). This requirement applies even if the taxpayer during the tax period has totally divested such assets. No disclosure requirements exist for investments and financial activities (including the Notes) under management or administration entrusted to Italian resident intermediaries and for contracts concluded through their intervention, provided that the cash flows and the income derived from such activities and contracts have been subject to Italian withholding or substitute tax by intermediaries themselves.

The proposed European financial transactions tax (FTT)

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common EU FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

In 2019, the Finance Ministers of the participating Member States indicated that they were discussing a new FTT proposal based on a French model of the tax (and the possible mutualisation of the tax as a contribution to the EU budget) (the **2019 FTT Proposal**). Under the 2019 FTT Proposal, the FTT would only have applied to transactions in financial instruments issued by a company, partnership or other entity whose registered office is established within one of the participating Member States and which had a market capitalisation of at least EUR 1 billion on 1 December of the year preceding the respective transaction. The FTT under the 2019 FTT Proposal would not have applied to straight bonds.

No agreement has been reached between the participating Member States on either the Commission's Original Proposal or the 2019 FTT Proposal. Subsequently, the European Commission declared that, if there was no agreement between the participating Member States by the end 2022, it would endeavour to propose a new own resource, based on a new FTT, by June 2024 with a view to its introduction by 1 January 2026, as also set out in the Council Regulation laying down the Multi-annual Financial Framework for the years 2021 to 2027.

Prospective holders of the Notes should therefore note that the scope of any FTT proposal remains uncertain and subject to negotiation between the participating Member States. Any such proposal may also be altered prior to any implementation, the timing of which also remains unclear. Additional EU Member States may decide to participate and/or other participating Member States may decide to withdraw. Accordingly, prospective holders of the Notes are advised to seek their own professional advice in relation to any FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. TIM S.p.A. may be a foreign financial institution for these purposes. A number of jurisdictions (including Italy) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the

way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. On 13 December 2018, the Treasury and the Internal Revenue Service (**IRS**) issued Proposed Regulations (REG-132881-17) under FATCA, eliminating withholding on the payments of gross proceeds and deferring withholding on foreign passthru payments. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would potentially apply to payments in respect of any Notes characterised as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued after the **grandfathering date**, which is the date that is six months after the date on which final U.S. Treasury regulations defining foreign passthru payments are filed with the U.S. Federal Register, or which are materially modified after the grandfathering date (including by reason of a substitution of the Issuer). However, if additional Notes that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Tax information

Each Noteholder shall provide in a timely manner any information, form, disclosure, certification or documentation (**Tax Information**) that the Issuer may reasonably request in writing in order to maintain appropriate records, report such information as may be required to be reported to the Italian tax authorities or any other tax or competent authority (the **Tax Reporting Regimes**) and provide for withholding amounts, if any, in each case relating to each Noteholder's Notes in or payments from the Issuer including, without limitation, any information requested in order to comply with:

- a) the FATCA provisions;
- b) the European Union Council Directive 2011/16/EU (the **DAC**), as amended;
- c) any law, rule or regulation pursuant to or implementing any of the FATCA, the DAC, or any other regime requiring the exchange of Tax Information or otherwise the Issuer deems reasonably necessary for the conduct of the Issuer's affairs.

SUBSCRIPTION AND SALE

The Dealers have, in a Programme Agreement (such Programme Agreement as modified and/or supplemented and/or restated from time to time, the **Programme Agreement**) dated 28 March 2025 agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuer has agreed to indemnify the Dealers against certain liabilities incurred by them in connection therewith. The Dealers are entitled in certain circumstances to be released and discharged from their obligations under the Programme Agreement prior to the closing of the issue of the Notes.

United States

The Notes have not been and will not be registered under the Securities Act or the securities law of any U.S. state, or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold to non-U.S. persons in reliance on Regulation S. Unless otherwise indicated herein, terms used in this section that are defined in Regulation S are used herein as defined therein.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, 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 Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules (each as defined under “*Form of the Notes*”) apply (including any relevant selling restrictions) or whether TEFRA is not applicable.

Each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it will not offer, sell or deliver any Notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date (the Resale Restriction Termination Date) of all Notes of the Tranche of which such Notes are a part or (iii) in the event of a distribution of a Tranche that is fungible therewith, until 40 days after the later of the commencement of the offering and the Issue Date of such fungible Tranche, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each distributor, dealer or other person receiving a selling concession, fee or other remuneration to which it sells any Notes prior to the Resale Restriction Termination Date a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them in Regulation S.

Until 40 days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from, or in a transaction not subject to, the registration requirements under the Securities Act.

Prohibition of sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering

contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of 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; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**); 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Prohibition of sales to UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression retail investor means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not, or, in the case of the Issuer, would not, if it was not an authorised person apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Republic of Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Italian CONSOB regulations; or
- (ii) 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, and the applicable Italian laws.

Any offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must:

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**);
- (b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including, where applicable, the reporting requirements pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

France

Each of the Dealers and the Issuer has represented and agreed that it undertakes to comply with applicable French laws and regulations in force regarding the offer, the placement or the sale of the Notes and the distribution in France of the Offering Circular or any other offering material relating to the Notes.

Japan

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

Singapore

Unless the Final Terms in respect of any Notes specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer has acknowledged (and each further Dealer appointed under the Programme will be required to acknowledge) that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed (and each further Dealer appointed under the Programme will be required to represent, warrant and agree) that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, 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.

If the Final Terms in respect of any Notes specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

The Final Terms in respect of any Notes may include a legend entitled "Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore" that will state the product classification of the applicable Notes pursuant to Section 309B(1) of the SFA; however, unless otherwise stated in the applicable Final Terms, all Notes shall be prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). This notification or any such legend included in the applicable Final Terms will constitute notice to "relevant persons" for purposes of Section 309B(1)(c) of the SFA.

Belgium

Other than in respect of Notes for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1, 2° of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Switzerland

The offering of the Notes in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act (**FinSA**) as long as such offering is made to professional clients within the meaning of the FinSA only or as long as the Notes have a minimum denomination of CHF 100,000 (or equivalent in another currency) or more and the Notes will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes do not constitute a prospectus pursuant to the FinSA, and neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer, the Trustee nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the Trustee and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Dealers Transacting with the Issuer

Certain Dealers and/or their affiliates (including parent companies) may engage and have engaged in various general financing and banking transactions with, and provide and have provided financial advisory and investment banking services to, and may hold equity interests and be entitled to appoint

board members and/or other corporate bodies members in the TIM Group and/or its affiliates in the present, past and may do so again in the future.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans and issuance of financial instruments linked to the financial instruments of the Issuer or the Issuer's affiliates) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the purposes of this paragraph the term "affiliates" includes also the relevant parent companies of the Dealers.

GENERAL INFORMATION

Authorisation

The establishment and update of the Programme have been duly authorised by resolutions of the Board of Directors of TIM dated 10 October 2003, 21 December 2005, 25 February 2010, 17 January 2013, 6 February 2014, 12 May 2014, 19 February 2015, 16 December 2016, 5 December 2017, 6 December 2018, 29 January 2020 and 3 February 2021.

The issue of each Tranche of Notes by TIM under the Programme will be required to be authorised by a resolution of the Board of Directors of TIM. The issue of the Notes by TIM under the Programme, up to a maximum aggregate amount equal to €10 billion and until 28 March 2026, was duly authorised by the resolution of the Board of Directors of TIM dated 12 February 2025.

Manager responsible for financial reporting

The manager responsible for preparing the corporate financial reports of TIM (Adrian Calaza Noia – Chief Financial Officer) declares, pursuant to paragraph 2 of art. 154-*bis* of the Financial Services Act, that the accounting information contained in this Base Prospectus corresponds to the documents results, book and accounting records.

Listing and admission to trading

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange. The Luxembourg's Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU). Application may also be made for the Notes to be admitted to listing on Borsa Italiana regulated *Mercato Telematico delle Obbligazioni* market (MOT), as sole listing venue or in addition to any other listing venue for the Notes.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets (including stock exchanges in the Republic of Italy and/or in other Member States within the EEA, each as sole listing venue or in addition to any other listing venue for the Notes) as may be agreed between the Issuer and the relevant Dealer.

Documents Available

Copies of the following documents will, when published, be available for inspection on the website of TIM at www.gruppotim.it:

- (a) the constitutional documents (with an English translation thereof) of TIM;
- (b) the audited consolidated financial statements of the Issuer in respect of the financial years ended on 31 December 2023 and 31 December 2024 (with an English translation thereof), together with the audit reports prepared in connection therewith. The Issuer currently prepares audited consolidated and non-consolidated accounts on an annual basis;
- (c) the Press Releases; and
- (d) the Trust Deed, the Agency Agreement and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons.
- (e) any future base prospectuses, prospectuses, information memoranda, supplements to this Base Prospectus and Final Terms (save that Final Terms relating to a Note which is neither admitted

to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation, will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer or the Paying Agent, as the case may be, as to its holding of Notes and identity) and any other information incorporated herein or therein by reference.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg.

Significant or Material Adverse Change

There has been no significant change in the financial performance or position of TIM since 31 December 2024. There has been no material adverse change in the financial position or prospects of TIM since 31 December 2024.

Legal and Arbitration Proceedings

Save as disclosed in the section “*Litigation*” on page 151 of this Base Prospectus, neither the Issuer nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings during the 12 months preceding the date of this Base Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of TIM or the TIM Group.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Independent Auditors

The consolidated financial statements of TIM Group for the years ended 31 December 2024 and 31 December 2023, prepared under International Financial Reporting Standards as endorsed by the European Union (**IFRS**), were audited, without qualification and in accordance with the International Standards on Auditing (ISA Italia), by EY S.p.A. independent auditors, as stated in the English translation of their report incorporated by reference elsewhere herein.

EY S.p.A. is registered under No. 70945 in the Register of Accountancy Auditors (Registro dei Revisori Legali), in compliance with the provisions of the Legislative Decree 27 January 2010, No. 39. EY S.p.A., which is located at Via Meravigli 12, 20123 Milan, is also a member of ASSIREVI (the Italian association of auditing firms).

Trustee’s Reliance on Certificates and Reports

The Trust Deed provides that the Trustee may rely on certificates or reports from the auditors of the Issuer or any other expert provided to the Trustee (whether or not addressed to the Trustee) in accordance with the provisions of the Trust Deed as sufficient evidence of the facts stated therein notwithstanding that any such certificate or report or any engagement letter or other document entered

into by the Trustee and such auditors or such other expert in connection therewith contains any limit on the liability of such auditors or such other expert.

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INDEPENDENT AUDITORS

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