Base Prospectus dated 10 May 2024

Azienda Trasporti Milanesi S.p.A.

(incorporated as a company limited by shares under the laws of the Republic of Italy)

€400,000,000 Euro Medium Term Note Programme

Under this €400,000,000 Euro Medium Term Note Programme (the "**Programme**"), Azienda Trasporti Milanesi S.p.A. (the "**Issuer**" or "**ATM**") 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 €400,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein. The minimum denomination of all Notes issued under the Programme shall be €100,000 and integral multiples of €1,000 in excess thereof (or its equivalent in any other currency as at the date of issue of the Notes).

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

This base prospectus (the "**Base Prospectus**") has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"). The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Notes that are the subject of this Base Prospectus and investors should make their own assessment as to the suitability of investing in the Notes. Further, such approval relates only to Notes which are to be admitted to trading on the regulated market ("**Euronext Dublin Regulated Market**") of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") or other regulated markets for the purposes of Directive 2014/65/EU (as amended, "**EU MiFID II**") and/or which are to be offered to the public in any Member State of the European Economic Area ("**EEA**"). Application has been made to Euronext Dublin for Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to trading on the Euronext Dublin Regulated Market and to be listed on the Official List of Euronext Dublin. 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 Euronext Dublin Regulated Market and have been admitted to the Official List of Euronext Dublin. The Euronext Dublin Regulated Market is a regulated market for the purposes of EU MiFID II.

The requirement to publish a prospectus under the EU Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in 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 EU Prospectus Regulation.

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the EEA. The obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies 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, with respect to Notes to be listed, will be filed with the Central Bank and, where listed, Euronext Dublin. Copies of Final Terms in relation to Notes to be listed on Euronext Dublin's Official List will also be published on Euronext Dublin's website (www.euronext.com/en/markets/Dublin).

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 as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

Notes may be issued in bearer form. Each Series of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each, a "**Temporary Global Note**") or a permanent global note in bearer form (each, a "**Permanent Global Note**" and, together with the Temporary Global Note, the "**Global Notes**"). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "*Overview of Provisions Relating to the Notes while in Global Form*".

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.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933 (the "**Securities Act**") or any U.S. State securities laws and are subject to United States tax law requirements. The Notes are being offered outside the United States in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction.

The Issuer may agree with any Dealer and the Agent (as defined under "*Terms and Conditions of the Notes*") that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event, a supplement to the Base Prospectus, a new Base Prospectus or a drawdown prospectus, in the case of listed Notes only, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The Programme has been rated BBB by Fitch Ratings Ireland Limited ("**Fitch**") and BBB by Standard & Poor's Corporation ("**S&P**").

Each of S&P and Fitch is established in the European Union (the "**EU**") and registered under Regulation (EC) No.1060/2009 (as amended) (the "**EU CRA Regulation**") and as such is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the EU CRA Regulation. The ratings issued by S&P and Fitch are endorsed by S&P Global Ratings UK Limited and Fitch Ratings Ltd, respectively, each of which is established in the United Kingdom (the "**UK**") and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") (the "**UK CRA Regulation**").

Tranches or Series of Notes to be issued under the Programme will be rated or unrated. Where a Tranche or Series of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Programme or to the Issuer or to Notes already issued. Where a Tranche or Series of Notes is rated, the applicable rating(s) may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Tranche or Series of Notes will be issued by a credit rating agency established in the EU and registered under the EU CRA Regulation, and included in the list of credit rating agencies published by ESMA on its website (at https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the EU CRA Regulation, or by a credit rating agency established in the UK and registered under the UK CRA Regulation 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 see "*Risk Factors – Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes*").

Amounts payable under the Notes may be calculated by reference to a variable rate for the Euro Interbank Offered Rate ("**EURIBOR**"), which is provided by the European Money Markets Institute, as specified in the applicable Final Terms. As at the date of this Base Prospectus, the European Money Markets Institute (as administrator of EURIBOR) appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of Regulation (EU) 2016/1011 (as amended, the "**EU Benchmarks Regulation**").

Arrangers and Dealers

BNP PARIBAS **IMI – Intesa Sanpaolo**

IMPORTANT NOTICES

This Base Prospectus comprises a base prospectus in respect of all Notes issued under the Programme for the purposes of Article 8 of the EU Prospectus Regulation.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. The Issuer declares that, to the best of its knowledge, 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 contains no omission likely to affect its import.

Copies of Final Terms will be available from the registered office of the Issuer and the specified office set out below of each of the Paying Agents (as defined under "*Terms and Conditions of the Notes*").

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

The Dealers or any of their respective affiliates (including parent companies) have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of the Dealers or by any of their respective affiliates (including parent companies) as to the accuracy or completeness of the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. None of the Dealers nor any of their respective affiliates (including parent companies) 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. Furthermore, with respect to Notes described as "Green Bonds", none of the relevant Dealers or any of their respective affiliates (including parent companies) will verify or monitor the proposed use of proceeds of such Notes and no representation is made by the relevant Dealers or by any of their respective affiliates (including parent companies) as to the suitability of the Notes described as "Green Bonds" to fulfil environmental or sustainability criteria required by prospective investors.

Neither the Issuer nor any of the Dealers have authorised the making or provision of any representation or information regarding the Issuer, the Programme or the Notes other than as contained in this Base Prospectus or as approved in writing for such purpose by the Issuer or any of the Dealers. Any such representation or information should not be relied upon as having been authorised by the Issuer or any of the Dealers.

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 or any of the Dealers any of their respective affiliates (including parent companies) that any recipient of this Base Prospectus or any other information supplied in connection with the offering of the Programme or any Notes should purchase any Notes. The content of this Base Prospectus should not be construed as providing legal, business, accounting, tax or other professional advice and each investor contemplating purchasing any Notes should make its own independent investigation of the condition (financial or otherwise), results of operation, business and prospects and its own appraisal of the creditworthiness, of the Issuer and its Group (as defined in "*Description of the Issuer*") and should have consulted its own legal, business, accounting, tax and other

professional advisers. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and its Group and of the rights attaching to the relevant Notes and reach its own view, based upon its own judgement and upon advice from such financial, legal and tax advisers as it has deemed necessary, prior to making any investment decision.

References to the "**Conditions**" are to the terms and conditions relating to the Notes set out in this Base Prospectus in the section "*Terms and Conditions of the Notes*" and any reference to a numbered "**Condition**" is to the correspondingly numbered provision of the Conditions.

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

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 the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances create any implication that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied by the Issuer in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers 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.

The distribution of this Base Prospectus and any applicable Final Terms and the offering, sale and delivery of any Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any applicable Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. Neither the Issuer nor any of the Dealers represents that this Base Prospectus or any applicable Final Terms 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, nor do they assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or any of the Dealers which is intended to permit a public offering of any Notes or the distribution of this Base Prospectus or any applicable Final Terms 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 or any applicable Final Terms 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.

For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Base Prospectus and any applicable Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*". In particular, the Notes have not been and will not be registered under the Securities Act and are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the EEA (each, an "**EU Member State**") or the UK will be made pursuant to an exemption under the EU Prospectus Regulation, Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (as amended, the "**UK Prospectus Regulation**") or the Financial Services and Markets Act 2000

(as amended, the "**FSMA**"), as applicable, from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in an EU Member State or the UK of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus or supplement a prospectus pursuant to the EU Prospectus Regulation, the FSMA and/or the UK Prospectus Regulation (as applicable), in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor does it authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

Important – Prohibition of Sales to EEA Retail Investors – If the Final Terms in respect of any Notes include a legend entitled "*Prohibition of Sales to EEA Retail Investors*", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Article 2 of the EU Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

Important – Prohibition of Sales to UK Retail Investors – If the Final Terms in respect of any Notes include a legend entitled "*Prohibition of Sales to UK Retail Investors*", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the 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 of the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently no key information document required by the Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

EU MIFID II product governance / target market – The Final Terms in respect of any Notes may include a legend entitled "*EU MIFID II product governance*" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the product governance rules under EU Delegated Directive 2017/593 (as amended, the "**EU MiFID Product Governance Rules**"), any Dealer subscribing for a Tranche of 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 EU 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 distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (as amended, 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.

SINGAPORE SFA PRODUCT CLASSIFICATION: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuers have, unless otherwise stated in the Final Terms in respect of any Notes, determined, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes issued or to be issued under the Programme are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

INFORMATION RELATING TO "GREEN BONDS"

If so specified in the relevant Final Terms, the Issuer may issue Notes which are categorised as "Green Bonds" whose net proceeds are intended by the Issuer to be applied for the purposes of financing and/or refinancing, in whole or in part, existing and/or future Eligible Green Projects (as described in the "*Use of Proceeds*" section). In such circumstances, prospective investors should have regard to the information set out, or referred to, under the section of the Base Prospectus headed "*Use of Proceeds*" and/or paragraph "*Reasons for the offer – Use of Proceeds*" of the relevant Final Terms and must determine for themselves the relevance of such information, together with any other investigation such investors deem necessary, for the purpose of any investment in such Notes and its suitability also in light of their own circumstances.

In connection with the issue of "Green Bonds" the Issuer has published in April 2024 a "Green Financing Framework" which is available on the Issuer's website at: https://www.atm.it/en/IlGruppo/Investors/Documents/ATM_Green_Financing_Framework_2024.pdf (the "**Green Financing Framework**"). A second party consultant appointed by the Issuer, namely Sustainalytics SARL, has reviewed the Issuer's Green Financing Framework and issued a second party opinion on 12 April 2024 (the "**Second-party Opinion**") which is available on the Issuer's website at: https://www.atm.it/en/IlGruppo/Investors/Documents/Sustainalytics_Green_Financing_Framework_Second_Party_Opinion.pdf.

No assurance or representation is given by the Issuer, any other member of the Group, any of the Dealers or any of their respective affiliates (including parent companies) or the second party consultant as to the suitability or reliability for any purpose whatsoever of any framework, opinion, report or certification of any third party in connection with any such and/or the offering of "Green Bonds" issued under the Programme. Any such framework, opinion, report or certification and any other document related thereto is not, nor shall it be deemed to be, incorporated in and/or form part of this Base Prospectus and the information in such framework, opinion, report or certification will not constitute or

form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, and should not be relied upon in connection with making any investment decision with respect to, any "Green Bonds" the Programme. Prospective investors must determine for themselves the relevance of such information, together with any other investigation such investors deem necessary, for the purpose of any investment in such Notes and its suitability also in light of their own circumstances. Any such framework, opinion, report or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Arrangers, the Dealers or any other person to buy, sell or hold any such "Green Bonds". Any such framework, opinion, report or certification is only current as at the date that such framework, opinion, report or certification was initially issued. Currently, the providers of such opinions, reports and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any such Notes qualified as "Green Bonds" are listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer or any Dealer (including any of their respective affiliates and parent companies) that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

See also "*Risk Factors – In respect of any Notes issued as "Green Bonds", there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor"* and "*Risk Factors – Second-party Opinions may not reflect the potential impact of all risks related to any Notes issued as "Green Bonds"*" below.

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should consider, either on its own or with the help of its financial and other professional advisers as they have deemed necessary prior to making any investment decision, 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 with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

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

(v) consider all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency; and

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

Some Notes are complex financial instruments. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial, tax or legal adviser) to evaluate how the Notes will perform under the changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (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.

PRESENTATION OF FINANCIAL INFORMATION

Basis of Preparation

All references in this 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 and all references to "**U.S. dollars**", "**U.S.$**" and "**$**" refer to United States dollars.

The consolidated financial statements of the Issuer have been prepared in euro and in accordance with applicable International Financial Reporting Standards (IFRS) endorsed by the European Commission in compliance with EC Regulation no. 1606/2002 ("**IFRS**").

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

Alternative Performance Measures

The Issuer uses certain key economic, financial and other indicators in evaluating the performance of the Group ("**Alternative Performance Measures**" or "**APMs**").

The Alternative Performance Measures identified by management are described and defined as follow:

- Adjusted Profit / (Loss): operating performance indicator, calculated as Profit / (Loss) adjusted for certain special or one-off gain and losses (as identified below) for the relevant period. During the periods under review, certain special or one-off gain and losses excluded in arriving at Adjusted Profit / (Loss) were derived from the applicable consolidated statement of profit or loss and consist of certain special or one-off gain and losses that individually or collectively we consider not representative of the trading performance of our businesses;

- Adjusted EBITDA: operating performance indicator, calculated as Profit / (Loss) plus income taxes, net income of companies valued by the equity method, net financial income (expenses), depreciation, amortization, write-down of tangible assets, intangible assets and right of use for leased assets, minus plant capital contributions grants, adjusted for certain special or one-off gain and losses (as identified below) for the relevant period;
- Adjusted EBITDA Margin: calculated as Adjusted EBITDA for the relevant period divided by Revenues and other operating income for the same period;
- Adjusted EBIT: operating performance indicator, calculated as Profit / (Loss) plus income taxes, net income of companies valued by the equity method and net financial income (expenses), adjusted for certain special or one-off gain and losses (as identified below), for the relevant period;
- Adjusted EBIT Margin: calculated as Adjusted EBIT for the relevant period divided by Revenues and other operating income for the same period;
- Capital expenditures: calculated as the aggregate increase of intangible assets and of property, plant, and equipment as indicated in the consolidated financial statements. Management also tracks and analyses our capital expenditures by purpose in terms of (i) ongoing maintenance of existing property, plant and equipment (fleet and premises) and (ii) product development capital expenditures (plants and infrastructure's modernization and upgrading, new technologies for payment and information mobility);
- Net financial debt: indicator of the ability to meet obligations of a financial nature, calculated, as provided for in ESMA guideline 32-382-1138, as the sum of the values pertaining to the short- and long-term financial debt items (gross financial debt, including financial debt for leasing contracts ex International Financial Reporting Standards 16) net of cash and cash equivalents.

The APMs reported above have been identified and used in this Base Prospectus because ATM Group believes that:

- net financial debt provides a better evaluation of the overall level of debt, the capital solidity and the capacity to repay the debt;
- capital expenditures provide a better evaluation of the overall level of investments; and
- performance measurements relating to Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBIT, Adjusted EBIT Margin and Adjusted Profit / (Loss), as well as adjusted configurations, analyse business performance, and provide a better comparison of the results; these indicators are also generally used for the purpose of evaluating company performance.

An explanation of the relevance of each of the Alternative Performance Measures, a reconciliation of the Alternative Performance Measures to the most directly comparable measures calculated and presented in accordance with IFRS and a discussion of their limitations is set out in this Base Prospectus. We do not regard these Alternative Performance Measures as a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS or those calculated using financial measures that are calculated in accordance with IFRS.

Management believes that these APMs provide useful information for investors because they facilitate the identification of significant operating trends and financial parameters.

For a correct understanding of these APMs, note the following:

- the APMs are based on ATM Group's historical data (as at 31 December 2023 and 31 December 2022);

- the APMs are not derived from the International Financial Reporting Standards (**IFRS**) and, as they are derived from the consolidated financial statements prepared in conformity with these principles, they are not subject to audit;
- the APMs should not be considered as replacing the indicators required by IFRS;
- the APMs should be read together with the financial information for the ATM Group taken from the consolidated financial statements for the years ending 31 December 2023 and 31 December 2022;
- since they are not derived from IFRS, the definitions used in connections with the APMs might not be standardised with those adopted by other companies/groups and therefore they are not comparable; and
- the APMs and definitions used herein are consistent and standardised for all the periods for which financial information in this Base Prospectus is included.

The table below shows key financial and operating data for ATM Group for the years ended 31 December 2023 and 31 December 2022:

	Year Ended December 31,	
	2023	**2022**
	(€ thousands, except percentages)	
Revenue and other operating income	1,097,332	1,091,470
Profit / (Loss)	753	15,544
Adjusted Profit / (Loss)	(30,456)	3,625
Adjusted EBITDA.....	50,694	101,300
Adjusted EBITDA Margin.....	4,6%	9.3%
Adjusted EBIT.....	(30,882)	19,110
Adjusted EBIT Margin.....	(2.8%)	1.8%
Capital expenditures.....	202,409	85,591
Net financial debt.....	95,669	(36,776)

Adjusted Profit / (Loss)

The table below sets forth our Adjusted Profit / (Loss) for years ended December 31, 2023 and 2022:

	Year Ended December 31,	
	2023	**2022**
	(€ thousands, except percentages)	
Profit / (Loss)	753	15,544
Penalties [(1)]	552	-
Grants and contributions [(2)].....	(6,199)	(12,439)
Obsolescence Fund - provision [(3)]	1,750	-
Incremental depreciation [(4)]	4,757	-
Environmental Fund - release [(5)].....	-	(1,180)
Non-recurring Personnel items [(6)].....	(20,512)	1,600
Write-down – property, plant and equipment [(7)].....	-	100
Settlement of tax disputes with Italian Tax Authorities [(8)].....	(11,557)	-
***Adjusted Profit / (Loss)* .....**	**(30,456)**	**3,625**

[(1)] The line item includes non-recurring penalties for qualitative standard accrued in FY2023 for €552 thousands. This gain is included in the line item Core Business Revenue of the consolidated income statement.

[(2)] The line item for the year ended December 31, 2023 includes tax credit on electricity costs for €6,199 thousand. This gain is included in the line item Other income of the consolidated income statement.

The line item for the year ended December 31, 2022 includes (i) one-off grants claimed and received for €5,446 thousand FY2022 and accounted for in the consolidated income statement in 2022 which were received as a contribution over capital

expenditure finalized in previous years, (ii) tax credit on electricity costs for €4,939 thousand and (iii) non-recurring operating contributions pursuant to Ristori Decree for €2,054 thousand accrued in FY2022. This gain is included in the line item Other income of the consolidated income statement.

(3) The line item includes the obsolescence provision accrued in FY2023 for € 1,750 thousand, in connection to spare parts related to 10 trams that has been dismissed in FY2023. This cost is included in the line item Purchases of goods and changes in inventory of the consolidated income statement.

(4) The line item for the year ended December 31, 2023 includes the incremental depreciation referred to 10 trams following the reduction of their economic and technical life. This cost is included in the line item Amortization, depreciation and write-downs of the consolidated income statement.

(5) The line item includes the release of an Environmental Fund for € 1,180 thousand occurred in FY2022 on the basis of new and updated regulatory information. This gain is included in the line item Service costs of the consolidated income statement.

(6) Non-recurring Personnel items for the year ended December 31, 2023 includes (i) the release of the provision for risk and charges related to personnel costs for € 24,037 thousand, occurred after the agreement signed on April 3, 2023 between the Group and the trade unions and (ii) the provision accrued for € 3,525 thousand and related to early retirement incentives costs for Group's employees nearing to retirement. These items are included in the line item Personnel expenses of the consolidated income statement.

Non-recurring Personnel items for the year ended December 31, 2022 are equal to the sum of (i) the provision accrued for € 8,740 thousand for potential risks and charges related to personnel costs and (ii) the provision accrued for € 3,419 thousand and related early retirement incentives costs for Group's employees nearing to retirement, minus (iii) public grants on labour costs for € 10,559 thousand. These items are included in the line item Personnel expenses of the consolidated income statement.

(7) The line item for the year ended December 31, 2022 includes the write-down related to the premise located in via Pompei, Monza and owned by the subsidiary Net S.r.l.. This cost is included in the line item Amortization, depreciation and write-downs of the consolidated income statement.

(8) The line item mainly includes the settlement of some tax disputes with Italian Tax Authority ("Agenzia delle Entrate") related to Irap calculation for years ended 2007, 2008, 2010 and 2012 related to ATM S.p.A. and reimbursement for years ended 2012, 2013 and 2014 related to the subsidiary Net S.r.l.. This gain is included in the line item Income taxes of the consolidated income statement.

Adjusted EBITDA and Adjusted EBITDA Margin

The table below sets forth our Adjusted EBITDA and Adjusted EBITDA Margin for years ended December 31, 2023 and 2022:

	Year Ended December 31,	
	2023	**2022**
	(€ thousands, except percentages)	
Profit / (Loss)	**753**	**15,544**
Income taxes	(3,222)	4.451
Net income of companies valued by the equity method	(4.477)	(4.598)
Net financial income / (expenses)	(4.284)	15.632
Depreciation - property, plant and equipment	126,976	118,644
Plant capital contributions grants(1)	(44,850)	(40,554)
Amortization - intangible assets	1,473	1,590
Depreciation - right of use for leased assets	2,734	2,510
Write-down – property, plant and equipment	-	100
Penalties (2)	552	-
Grants and contributions (3)	(6,199)	(12,439)
Obsolescence Fund - provision (4)	1,750	-
Environmental Fund - release (5)	-	(1,180)
Non-recurring Personnel items (6)	(20,512)	1,600
Adjusted EBITDA	**50,694**	**101,300**
Adjusted EBITDA Margin	4,6%	9.3%

(1) These amounts are related to the deferral effect of the grant which has been classified in reduction of capital expenditures in the consolidated balance sheet and in reduction of the depreciation in the consolidated income statement.

(2) The line item includes non-recurring penalties for qualitative standard accrued in FY2023 for €552 thousands. This gain is included in the line item Core Business Revenue of the consolidated income statement.
(3) The line item for the year ended December 31, 2023 includes tax credit on electricity costs for €6,199 thousand. This gain is included in the line item Other income of the consolidated income statement.
The line item for the year ended December 31, 2022 includes (i) one-off grants claimed and received for €5,446 thousand FY2022 and accounted for in the consolidated income statement in 2022 which were received as a contribution over capital expenditure finalized in previous years, (ii) tax credit on electricity costs for €4,939 thousand and (iii) non-recurring operating contributions pursuant to Ristori Decree for €2,054 thousand accrued in FY2022. This gain is included in the line item Other income of the consolidated income statement.
(4) The line item includes the obsolescence provision accrued in FY2023 for € 1,750 thousand, in connection to spare parts related to 10 trams that has been dismissed in FY2023. This cost is included in the line item Purchases of goods and changes in inventory of the consolidated income statement.
(5) The line item includes the release of an Environmental Fund for € 1,180 thousand occurred in FY2022 on the basis of new and updated regulatory information. This gain is included in the line item Service costs of the consolidated income statement.
(6) Non-recurring Personnel items for the year ended December 31, 2023 includes (i) the release of the provision for risk and charges related to personnel costs for € 24,037 thousand, occurred after the agreement signed on April 3, 2023 between the Group and the trade unions and (ii) the provision accrued for € 3,525 thousand and related to early retirement incentives costs for Group's employees nearing to retirement. These items are included in the line item Personnel expenses of the consolidated income statement.
Non-recurring Personnel items for the year ended December 31, 2022 are equal to the sum of (i) the provision accrued for € 8,740 thousand for potential risks and charges related to personnel costs and (ii) the provision accrued for € 3,419 thousand and related early retirement incentives costs for Group's employees nearing to retirement, minus (iii) public grants on labour costs for € 10,559 thousand. These items are included in the line item Personnel expenses of the consolidated income statement.

Adjusted EBIT and Adjusted EBIT Margin

The table below sets forth our Adjusted EBIT and Adjusted EBIT Margin for years ended December 31, 2023 and 2022:

	Year Ended December 31,	
	2023	**2022**
	(€ thousands, except percentages)	
Profit / (Loss)	**753**	**15,544**
Income taxes	(3.222)	4.451
Net income of companies valued by the equity method	(4.477)	(4.598)
Net financial income / (expenses)	(4.284)	15.632
Penalties (1)	552	-
Grants and contributions (2)	(6,199)	(12,439)
Obsolescence Fund - provision (3)	1,750	-
Incremental depreciation (4)	4,757	-
Environmental Fund - release (5)	-	(1,180)
Non-recurring Personnel items (6)	(20,512)	1,600
Write-down – property, plant and equipment (7)	-	100
Adjusted EBIT	**(30,882)**	**19,110**
Adjusted EBIT Margin	(2.8%)	1.8%

(1) The line item includes non-recurring penalties for qualitative standard accrued in FY2023 for €552 thousands. This gain is included in the line item Core Business Revenue of the consolidated income statement.
(2) The line item for the year ended December 31, 2023 includes tax credit on electricity costs for €6,199 thousand. This gain is included in the line item Other income of the consolidated income statement.
The line item for the year ended December 31, 2022 includes (i) one-off grants claimed and received for €5,446 thousand FY2022 and accounted for in the consolidated income statement in 2022 which were received as a contribution over capital expenditure finalized in previous years, (ii) tax credit on electricity costs for €4,939 thousand and (iii) non-recurring operating contributions pursuant to Ristori Decree for €2,054 thousand accrued in FY2022. This gain is included in the line item Other income of the consolidated income statement.

(3) The line item includes the obsolescence provision accrued in FY2023 for € 1,750 thousand, in connection to spare parts related to 10 trams that has been dismissed in FY2023. This cost is included in the line item Purchases of goods and changes in inventory of the consolidated income statement.
(4) The line item for the year ended December 31, 2023 includes the incremental depreciation referred to 10 trams following the reduction of their economic and technical life. This cost is included in the line item Amortization, depreciation and write-downs of the consolidated income statement.
(5) The line item includes the release of an Environmental Fund for € 1,180 thousand occurred in FY2022 on the basis of new and updated regulatory information. This gain is included in the line item Service costs of the consolidated income statement.
(6) Non-recurring Personnel items for the year ended December 31, 2023 includes (i) the release of the provision for risk and charges related to personnel costs for € 24,037 thousand, occurred after the agreement signed on April 3, 2023 between the Group and the trade unions and (ii) the provision accrued for € 3,525 thousand and related to early retirement incentives costs for Group's employees nearing to retirement. These items are included in the line item Personnel expenses of the consolidated income statement.
Non-recurring Personnel items for the year ended December 31, 2022 are equal to the sum of (i) the provision accrued for € 8,740 thousand for potential risks and charges related to personnel costs and (ii) the provision accrued for € 3,419 thousand and related early retirement incentives costs for Group's employees nearing to retirement, minus (iii) public grants on labour costs for € 10,559 thousand. These items are included in the line item Personnel expenses of the consolidated income statement.
(7) The line item for the year ended December 31, 2022 includes the write-down related to the premise located in via Pompei, Monza and owned by the subsidiary Net S.r.l.. This cost is included in the line item Amortization, depreciation and write-downs of the consolidated income statement.

Capital Expenditures

The table below sets forth our capital expenditures for years ended December 31, 2023 and 2022:

	Year Ended December 31,	
	2023	**2022**
	(€ thousands, except percentages)	
Increase in intangible assets	1,633	1,844
Increase in property, plant and equipment	200,776	83,747
Capital expenditures	**202,409**	**85,591**
As percentage of Revenues and other operating income	18.4%	7.8%

Management also tracks and analyses our capital expenditures by purpose in terms of (i) ongoing maintenance of existing property, plant and equipment (fleet and premises) and (ii) product development capital expenditures (plants and infrastructure's modernization and upgrading, new technologies for payment and information mobility). The table below sets forth our capital expenditures by category for the periods presented:

	Year Ended December 31,	
	2023	**2022**
	(€ thousands, except percentages)	
Fleet renewal	155,301	63,927
Extraordinary maintenance of the premises	5,328	1,927
Modernization and upgrading of plants and infrastructure	24,650	11,581
New technologies for payment and information mobility	17,130	8,156
Capital expenditures	**202,409**	**85,591**
As percentage of Revenues and other operating income	18.4%	7.8%

Net financial position

The table below sets forth our Net financial position for years ended December 31, 2023 and 2022, in accordance with the ESMA recommendations 32-382-1138:

	Year Ended December 31,	
	2023	**2022**
	(€ thousands, except percentages)	
(A) Cash and cash equivalents [1]	(142,186)	(182,196)
(B) means equivalent to Cash and cash equivalents	-	-
(C) Other current financial assets [2]	(170,281)	(159,240)
D) LIQUIDITY (A+B+C)	**(312,467)**	**(341,436)**
(E) Current debt (including debt instruments, but excluding the current portion of non-current financial debt) [3]	220,193	35,159
(F) Current part of the non-current financial debt [4]	14,101	14,892
(G) Current financial debt (E+F)	**234,294**	**50,051**
(H) Net current financial debt (G+D)	**(78,173)**	**(291,385)**
(I) Non-current financial debt (excluding the current part and debt instruments) [5]	173,842	184,886
(J) Instruments of Debt [6]	-	69,723
(L) Non-current financial debt (I+J+K)	**173,842**	**254,609**
Net financial position (H+L)	**95,669**	**(36,776)**

[1] For additional information on "Cash and cash equivalents and equivalent means", see Note 21 in the audited consolidated annual financial statements of the Issuer as of and for the year ended 31 December 2023 and 2022, which are incorporated by reference in this Base Prospectus.

[2] The line item includes "current financial assets" and the current portion of State contributions included in the line item "other receivables and current assets". For additional information, see respectively Note 17 and Note 20 in the audited consolidated annual financial statements of the Issuer as of and for the year ended 31 December 2023 and 2022, which are incorporated by reference in this Base Prospectus.

[3] The line item includes the short-term “Bridge to Bond”. For additional information, see Note 24 in the audited consolidated annual financial statements of the Issuer as of and for the year ended 31 December 2023 and 2022, which are incorporated by reference in this Base Prospectus.

[4] The line item includes the current portion of financing with the European Investment Bank, the interest portion accrued on bond loans and the current portion of lease liabilities, entered in accordance with the IFRS16 accounting standard. For additional information, see Note 24 in the audited consolidated annual financial statements of the Issuer as of and for the year ended 31 December 2023 and 2022, which are incorporated by reference in this Base Prospectus.

[5] The line item includes the non-current portion of the financing with the European Investment Bank and the non-current portion of the lease liabilities entered in accordance with the IFRS16 accounting standard. For additional information, see Note 24 in the audited consolidated annual financial statements of the Issuer as of and for the year ended 31 December 2023 and 2022, which are incorporated by reference in this Base Prospectus.

[6] The line item includes non-current portion of the bond loan included in the line item "Non-current financial liabilities". For additional information, see Note 24 in the audited consolidated annual financial statements of the Issuer as of and for the year ended 31 December 2023 and 2022, which are incorporated by reference in this Base Prospectus.

THIRD PARTY INFORMATION AND STATISTICS

This Base Prospectus contains information and statistics which are derived from, or are based upon, the Issuer’s analysis of data obtained from miscellaneous sources quoted in “*Description of the Issuer*” below. Such information has been identified where used and reproduced accurately in this Base Prospectus and, as far as the Issuer is aware and is able to ascertain from information published by those sources, no facts have been omitted which would render such reproduced information inaccurate or misleading.

FORWARD-LOOKING STATEMENTS

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

The Issuer does not intend, and does not assume any obligation, to update forward-looking statements set out in this Base Prospectus. Many factors may cause the Issuer's results of operations, financial condition, liquidity and the development of the industries in which it competes to differ materially from those expressed or implied by the forward-looking statements contained in this Base Prospectus.

The risks described under "*Risk Factors*" in this Base Prospectus are not exhaustive. Other sections of this Base Prospectus describe additional factors that could adversely affect the Issuer's results of operations, financial condition and liquidity, and the development of the industries in which it operates. New risks can emerge from time to time, and it is not possible for the Issuer to predict all such risks, nor can the Issuer assess the impact of all such risks on its business or the extent to which any risks, or combination of risks and other factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not rely on forward-looking statements as a prediction of actual results.

STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons 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 of the Notes, in which event, a new Base Prospectus, a drawdown prospectus or a supplement to the Base Prospectus, if appropriate, in the case of listed Notes only, will be made available which will describe the effect of the agreement reached in relation to such Notes.

This overview constitutes a general description of the Programme for the purposes of Article 25 of the Commission Delegated Regulation (EU) 2019/980 (the "**Delegated Regulation**").

Words and expressions defined in "*Overview of Provisions Relating to the Notes while in Global Form*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this overview.

Issuer:	Azienda Trasporti Milanesi S.p.A.
Legal Entity Identifier (LEI) of the Issuer:	8156002D5472BDE44822
Risk Factors:	There are certain 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 "*Risk Factors*".
Description:	Euro Medium Term Note Programme
Arrangers:	BNP Paribas Intesa Sanpaolo S.p.A.
Dealers:	BNP Paribas Intesa Sanpaolo S.p.A. 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*").
Issuing and Principal Paying Agent:	BNP Paribas, Luxembourg Branch
Programme Size:	The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed €400,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement).

	The Issuer may increase the amount of the Programme, from time to time, 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, Notes may be denominated in 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 and save that no Notes having a maturity of less than one year will be issued under the Programme.
Issue Price:	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par and will be indicated in the applicable Final Terms.
Form of Notes:	The Notes will be issued in bearer form as described in "*Overview of Provisions Relating to the Notes while in Global Form*".
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, will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer, each as specified in the applicable Final Terms.
Floating Rate Notes:	Floating Rate Notes will bear interest at a rate determined separately for each relevant Series as follows: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or (b) by reference to EURIBOR. The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for the relevant Series of Floating Rate Notes. Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

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.

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 as described in Condition 8.3 (*Redemption at the option of the Issuer (Issuer Maturity Par Call)*) and 8.4 (*Redemption at the option of the Issuer (Clean-Up Call)*) and/or the Noteholders upon occurrence of a Put Event as described in Condition 8.5 (*Redemption at the option of Noteholders*), by 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.

Benchmark Discontinuation: Amounts payable under the Notes may be calculated by reference to interest rates and indices which are deemed to be "benchmarks", for the purpose of the EU Benchmarks Regulation. In this case, if a Benchmark Event occurs, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser. The Independent Adviser shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate. Furthermore, if a Successor Rate or Alternative Rate for the Original Reference Rate is determined by the Independent Adviser, the Conditions provide that the Issuer may vary the Conditions, as necessary, to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders. If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Conditions also provide that an Adjustment Spread may be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate in the manner set out in Condition 6.4 (*Benchmark discontinuation*).

Denomination of Notes: The 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 amount 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, save that the minimum denomination of each Note admitted to trading on a regulated market within the EEA or offered UK Kingdom in circumstances which

	require the publication of a prospectus under the EU Prospectus Regulation or the UK Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).
Taxation:	All payments in respect of the Notes and Coupons will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction as provided in Condition 9 (*Taxation*), unless such withholding or deduction is required by law, in which event, the Issuer will, save in certain limited circumstances provided in Condition 9 (*Taxation*), be required to pay additional amounts to cover the amounts so withheld or deducted.
Negative Pledge:	The terms of the Notes will contain a negative pledge provision as further described in Condition 4 (*Negative Pledge*).
Cross Default:	The terms of the Notes will contain a cross default provision as further described in Condition 10 (*Events of Default*).
Status of the Notes:	The Notes and the Coupons will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and rank *pari passu* among themselves and at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future (save for such obligations as may be preferred by provisions of law that are both mandatory and of general application).
Rating:	The Programme has been rated BBB by Fitch and BBB by S&P. Each of S&P and Fitch is established in the EU and registered under the EU CRA Regulation and under the UK CRA Regulation. Tranches or Series of Notes to be issued under the Programme will be rated or unrated. Where a Tranche or Series of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Programme or to the Issuer or to Notes already issued. Where a Tranche or Series of Notes is rated, the applicable rating(s) may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Tranche or Series of Notes will be issued by a credit rating agency established in the European Union and registered under the EU CRA Regulation or by a credit rating agency established in the UK and registered under

	the UK CRA Regulation, will be disclosed in the 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.
Approval of the Base Prospectus, listing and admission to trading:	This Base Prospectus has been approved by the Central Bank, as competent authority under the EU Prospectus Regulation. Application has also been made to Euronext Dublin for Notes issued under the Programme to be admitted to trading on the Euronext Dublin Regulated Market and to be listed on the Official List of Euronext Dublin. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the relevant 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 exchanges and/or markets.
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law. Conditions 14.1 (*Meetings of Noteholders*) and 14.2 (*Noteholders' Representative*) and the provisions of the Agency Agreement concerning the meetings of Noteholders and the appointment of a Noteholders' Representative (*rappresentante comune*) in respect of the Notes are subject to compliance with the laws of the Republic of Italy.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including, without limitation, the Republic of Italy and France), the UK, Japan, Singapore and such other restrictions as may be required or applied in connection with the offering and sale of a particular Tranche of Notes, see "*Subscription and Sale*".
United States Selling Restrictions:	Regulation S, Category 2. TEFRA C or D / TEFRA not applicable, as specified in the applicable Final Terms.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which could be material for the purpose of assessing the market risks associated with the Notes issued under the Programme are also described below.

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

The risks that are specific to the Issuer are presented in five categories depending on their nature and, in each category, the most material risk factors for the Issuer or the Issuer's group are mentioned first and the remaining risk factors presented in an order which is not intended to be indicative either of the likelihood that each risk will materialise or of the magnitude of its potential impact on the business, financial condition and results of operations of the Issuer. Accordingly, the Issuer does not represent that the statements below regarding the risk of holding any Notes are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and consider carefully whether an investment in the Notes issued under the Programme is suitable for them in the light of the information contained in this Base Prospectus and their personal circumstances, based upon their own view and/or judgment and upon advice from such financial, legal, tax and other professional advisers as they deem necessary.

Words and expressions defined in the Conditions or elsewhere in this Base Prospectus have the same meaning in this section, unless stated otherwise. References to a "Condition" is to such numbered condition in the Conditions. Prospective investors should read the whole of this Base Prospectus, including the information incorporated by reference.

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

1. Risks relating to the Issuer's business activity and industry

Risks relating to the expiry (or renewal) of main service contracts

For the financial year ended 31 December 2023, substantially all the revenues generated by the Group were derived from contracts awarded by public authorities in Italy and in Denmark (including operations and maintenance ("**O&M**") contracts related to the project financing pertaining to the M4 and M5 metro lines of the City of Milan). Each contract with the relevant grantor requires the relevant operator to comply with certain obligations. See also "*Description of the Issuer – Contracts for LPT Services – M5 and M4 operations and maintenance contracts"* below.

The principal business carried out by the Group is the management and maintenance of integrated public transport networks (surface and underground lines) in the urban and suburban area of Milan. Originally set to expire on 30 April 2017, the Milan Service Contract (as defined in *"Description of the Issuer – Contracts for LPT Services – Milan Service Contract"* below) has been most recently extended up to 31 December 2026.

Following the expiry of the Milan Service Contract, a new contract (the "**New Milan Service Contract**") will be awarded by the Local Public Transport Agency (*Agenzia per il Trasporto Pubblico Locale – "LPT Agency"*) competent for the relevant Milan territorial area, identified as competent authority to manage the tender process for the award of the New Milan Service Contract by virtue of Regional Law No. 6/2012.

In this respect, it should be noted that since the LPT Agencies cover a greater territorial area than that pertaining to single cities or municipalities (*e.g.* the competences of the LPT Agency in charge of awarding the New Milan Service Contract cover the area of the Metropolitan City of Milan, of the Monza and Brianza Province, of the Lodi Province and of the Pavia Province), the New Milan Service Contract will cover the larger area of the City of Milan and the other Provinces included in the scope of the competence of the awarding LPT Agency.

In addition, as the structure of the tender to be launched by the relevant LPT Agency has not yet been determined, such LPT Agency may decide to group the activities carried out under the New Milan Service Contract into different categories (for example different categories for surface and underground local public transport ("**LPT**") services) and, ultimately, award those categories to different bidders. In light of the above, there is no assurance that the Group will be awarded the tender for the New Milan Service Contract or, even if it is awarded, that the New Milan Service Contract will encompass all the activities the Group carries out under the Milan Service Contract. As a result, there is no assurance that the Group will continue to carry out all or a part of the LPT services in the Milan area following expiry of the Milan Service Contract.

In addition, if the Group is not awarded the New Milan Service Contract, or if it is awarded a new service contract which encompasses only a part of the activities the Group carries out under the Milan Service Contract, the Issuer will continue to own part of the rolling stock and certain other key assets (*beni strumentali*) for the provision of LPT services carried out in Milan. In accordance with the guidelines set forth in resolution No. 49/2015 (the "**ART Resolution 49/15**") issued by the national Transport Regulation Authority (*Autorità di Regolazione dei Trasporti* – "**ART**"), as subsequently amended by resolutions No. 154/2019, No. 65/2020, No. 33/2021, No. 113/2021, No. 35/2022, the Issuer and the operator under the New Milan Service Contract will have to enter into arrangements for the lease, purchase and/or provision in another form in favour of the incoming operator of certain essential assets (*beni essenziali*) and indispensable assets (*beni indispensabili*) owned by and/or otherwise available to ATM. The takeover value will be calculated pursuant to the ART Resolution 49/15 (as amended). Moreover, ATM and the operator under the New Milan Service Contract may enter into arrangements for the purchase of certain commercial assets (*beni commerciali*) owned by ATM. In light of the foregoing, there can be no assurance that arrangements for the lease, purchase or provision of all of those assets will be on conditions which are favourable for the Issuer. In addition, failure to agree the amounts payable to the Issuer for the purchase or use of those assets may result in litigation.

The loss of the New Milan Service Contract may also lead to mandatory prepayment of the Issuer's existing borrowings from the European Investment Bank ("**EIB**"), in whole or in part, if the lender considers that the consequences of the loss of the contract cannot ultimately be mitigated by any other activities carried out by ATM (albeit only after consultation between it and the EIB). See "*Description of the Issuer – Financing – EIB facility"* below.

Furthermore, it cannot be ruled out that the LPT Agency will decide to award the New Milan Service Contract through the "in-house mechanism", as opposed to a tender process. In such event, the Issuer might not be able to maintain the New Milan Service Contract.

See also *"Description of the Issuer – Contracts for LPT Services – Milan Service Contract"* below.

In addition:

- certain other public transport contracts held by the Group are set to expire in 2026 and 2027 (including the Copenhagen O&M Contract (see *"Description of the Issuer – Contracts for LPT Services – Copenhagen operations and maintenance contract")* and the Cityringen O&M Contract (see *"Description of the Issuer – Contracts for LPT Services – Cityringen operations and maintenance contract"*), and, similarly, there is no assurance that these will be re-awarded to the Group; and

- even if new contracts are awarded to the Group to provide LPT services for the areas where it currently operates, there can be no assurance that they will be on conditions at least equivalent as those under the existing contracts (see also "- *Risks relating to the Group's revenue sources*" below).

All of the above factors could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risks relating to quality standards and other contractual obligations

In addition to risks arising from loss or non-renewal of service contracts and/or operations and maintenance contracts currently in force, the Group is required to comply with certain quality standards under its service contracts and operations and maintenance contracts, as well as standards of security and continuity of services provided by the Group.

In such respect, in line with the quality and accessibility of services policy, the constant application of Quality, Health, Safety & Environment management systems, together with the consolidated training and training processes, allow to minimize the major risk factors relating to environmental and health and safety aspects at work.

The maintenance of efficient management systems also allows a rapid and effective assessment of potential risks arising from factors relating to a specific context, the specific situations of company locations and local and national regulatory developments.

The systemic execution of verification moments by the control functions, which are additional to the monitoring moments carried out by the certification companies, allows an effective monitoring of the maintenance of mitigation measures and allows the identification of any processes that are the subject of improvement actions. The coordination between the control functions has allowed this activity to be carried out by ensuring the minimization of the impact on the operation of the structures.

Although the Group believes that it currently complies with the relevant quality and safety standards, it may be subject, in the event of breaches or non-performance of its obligations under its contracts (if, for example, it does not meet the minimum quality standard set by the grantor of the relevant contract), to penalties, sanctions or the withdrawal or early termination of said contracts. In addition, in accordance with the general principles of Italian laws and regulations, a contract may be terminated early by the awarding authority for public interest reasons, subject to the payment of a compensation to the contractor, which would however not equal the value of the terminated contract. Penalties, sanctions or the withdrawal or early termination of the Group's operations and maintenance contracts could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risks relating to the Group's revenue sources

The Group currently receives its funding primarily from: (i) fees received from the relevant awarding authorities under service contracts and operations and maintenance contracts, and (ii) revenues from commercial activities (such as revenues from advertising, leases of commercial premises or on- and off-street parking).

With reference to the Milan Service Contract, fees paid by the City of Milan constitute the majority of the revenues of the Group and are funded by the City of Milan through ticket sales (the proceeds of which, under the gross cost mechanism currently in place under the Milan Service Contract, are collected by the Group and transferred back to the City of Milan) and by using subsidies received from the national transport fund via the Region of Lombardy. For a description of gross cost and net cost mechanisms, see "*Description of the Issuer – Contracts for LPT Services*" below.

Income from ticket sales depends on (i) the traffic volumes and number of passengers using the service and (ii) the price set for fares. The City of Milan is, therefore, directly exposed to the risk of a decline in traffic volumes and number of passengers using its transport services, which would reduce its income from that source. Although at present this would not directly affect the Group, as the fee received under the Milan Service Contract is fixed and independent of the amount collected from fares, there is no assurance that the New Milan Service Contract, if awarded, would be based on a "net cost" rather than a "gross cost" mechanism.

Indeed, pursuant to Article 22 of Regional Law No. 6/2012, service contracts shall be awarded by LPT Agencies through public tender procedures on the basis of the "net cost" mechanism (pursuant to which the commercial risk and the tariff revenues are on the operator).

Any switch to a "net cost" mechanism would mean that the risk of a decline in passenger numbers might be borne by the Group, as would the risk of fares being set at a rate that falls short of the Group's expectations. Fares under the Milan Service Contract and under the corresponding operation and maintenance contract for the M4 and M5 metro lines are set by the City of Milan in accordance with guidelines issued by the Lombardy region. Accordingly, the Group is not free to set the amount of its fares and, even where there may be a business case for increasing fares, their determination may be subject to a number of external factors that may prevent increases, including political pressure and/or public opinion.

However, even in case of switch to a "net cost" mechanism, the Group would still receive, under the relevant service contract, a contribution from the grantor aimed at ensuring the ability of the Group to bear the costs of the services provided.

In addition, subsidies received from, and determined by, national and regional authorities constitute a substantial part of the fees received by the Group in connection with its public transport activities.

Any future link between fares and the Issuer's revenues and any reduction in the amount of subsidies received by the Group could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

The Group's ability to execute its 2021-2025 Strategic Industrial Plan as updated on 14 April 2023 is not assured

The 2021-2025 strategic industrial plan (the "**Strategic Industrial Plan**") is based on general critical assumptions and estimates relating to future trends and events that may affect the sectors in which the Issuer operates, such as estimates of customers' demand and changes to the applicable regulatory framework, inflation rates, exchange rates, interest rates and commodity (i.e. electricity and petroleum products) prices, over which the Issuer has no control insofar as they depend on the overall market trend.

The budget figures in the Strategic Industrial Plan are based on a set of critical assumptions, including macro-economic scenarios and a series of corporate actions by the board of directors of ATM.

There can be no assurance that the Issuer will achieve the objectives under the Strategic Industrial Plan. Moreover, in the event that one or more of the Strategic Industrial Plan's underlying assumptions prove incorrect or events evolve differently than assumed in the Strategic Industrial Plan, including events that may not be foreseeable or quantifiable as of the date hereof, the anticipated events and results of operations indicated in the Strategic Industrial Plan (and in this Base Prospectus) could differ from actual events and results of operations.

Any failure by the Group to execute its Strategic Industrial Plan within the scheduled deadlines may have a material adverse effect on the Group, its business prospects, its financial condition and its results of operation, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

At the date of this Base Prospectus, a multitude of factors, including the Russia-Ukraine crisis and, potentially, the Israel-Palestine conflict, are affecting the macro-economic scenario which may have influence on the ability of the Issuer to execute its Strategic Industrial Plan. See also *" – The Group is exposed to global macro-economic factors over which it has no control, including without limitation any adverse financial and macro-economic conditions within the global markets"* below. Please also see *"Description of the Issuer – The 2021-2025 Strategic Industrial Plan"* below for further information on the Strategic Industrial Plan.

Risks relating to investments to be carried out by the Group

In order to fulfil its obligations under the relevant operations and maintenance contracts, the Group is required, inter alia, to invest in order to overhaul its vehicles and rolling stock and carry out maintenance activities on its public transport facilities. See also "*Description of the Issuer –Investments and Technological Innovation*" below. Failure to ensure the functionality and adequacy of vehicles, infrastructure and equipment necessary to provide the local public transport services may lead to the application of penalties and sanctions or, in more serious cases, to termination of contracts.

There is no assurance that the investment strategies implemented by the Group will be successful, as they may be interrupted or delayed due to unforeseen difficulties. In addition, the Issuer's investment strategies may be influenced by changes in the price of equipment, materials and labour, as well as changes to the political or regulatory framework or the Group's inability to raise funds at acceptable interest rates. Such delays could affect the ability of the Issuer to meet regulatory and other environmental performance standards as well as the obligations under its operations and maintenance contracts and could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risks relating to business interruption

The Group operates in a technically complex sector. Unforeseen technical problems could lead to service interruptions and a decline in punctuality of the service. Reductions in punctuality could, in turn, affect the perceived quality of the service provided by the Group and result in a loss of customers, which could indirectly impact the Group's financial performance.

The Group is continuously exposed to the risk of malfunction and unexpected interruption of its activities due to accidental events and/or extraordinary events, such as the malfunctioning of infrastructure, including infrastructure owned by third parties (such as the City of Milan) resulting from events beyond the Group's control, such as extreme weather phenomena, natural disasters, fire, malicious damage, accidents, terrorism, civil disorder, urban violence, labour disputes, mechanical breakdown, damages to plant and equipment, as well as any failure by suppliers of goods and services used by the Group resulting in the non-availability of fuel, electricity, plant, equipment or services of critical importance for the provision of the public transport service, which could cause harm to people and may result in increased costs or impair the ability of the Group to provide LPT services at acceptable standards. Any significant interruption or breakdowns of its activities could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes. In addition, failure to tackle service interruption promptly and effectively could damage the Group's reputation, as well as its revenues and profits.

The Group is also engaged in specific renewal, modernization and upgrading plans aimed at mitigating the obsolescence of assets owned by the Group as well as assets owned by third parties and managed by the Group, in particular infrastructures.

In addition, the Issuer is exposed to operational risks related to the occurrence of accidents, which can cause significant damage to people and third party property, potentially entailing compensation obligations, or to company property (see also " – *The nature of the Group's activities and operations*

may expose it to liability to third parties" below). The Issuer maintains insurance policies in amounts and of the type generally consistent with industry practices.

The Group's management believes that its systems of prevention and protection operate according to the frequency and gravity of the particular events, ensuring the security and continuity of service and the safeguarding of the company assets, in full compliance with laws and regulations. Moreover, its ongoing maintenance plans, the availability of strategic spare parts and insurance coverage for the infrastructure necessary for its business, enable the Group to mitigate the economic consequences of potentially adverse events that might be suffered by any of its assets or networks. However, there can be no assurance that maintenance costs will not increase compared to those originally planned, that insurance will continue to be available on reasonable terms requiring the Group to bear all or part of the losses, damages and liabilities due to insufficient insurance coverage (see also " – *Risks related to insurance coverage*" below), or that each event or series of events affecting one or more assets or networks will not compromise its business activities and have an adverse impact on the Group's business, financial condition and results of operations with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

The nature of the Group's activities and operations may expose it to liability to third parties

The activities of the Group are subject to typical risks related to the industries in which the Issuer operates. These risks include, inter alia, damage to assets and other equipment, accidents causing injuries to passengers, employees or third parties (which, in the most serious cases, may prove fatal) or claims arising from alleged failure to provide adequate safety, security or crisis management systems. See also " – *Risks relating to business interruption*" above.

The protection of the Issuer's assets, the security of its personnel and of passengers is guaranteed by the security sector in agreement with the law enforcement forces present on the territory (local police, state police, Carabinieri, Guardia di Finanza), with particular attention to the high-traffic transport lines, the parking facilities managed by ATM and the areas of interchange with the railway network.

In addition, the Group maintains insurance coverage to protect against such risks, which may however be insufficient to cover the Group. See also "– *Risks related to insurance coverage*". Such incidents could subject the Group and its key personnel to criminal or civil penalties by passengers, subcontractors, governments, public authorities, employees or members of the public for damage to the environment, damage to property, assets and other equipment, personal injury or wrongful death, which could lead to the payment of extensive damages, criminal fines or imprisonment of key personnel, as well as harming the Group's reputation.

Such events could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

The Group's business has a significant cost base

The business of the Group is characterised by a high fixed-cost base, consisting primarily of employee- and energy-related costs, which cannot be reduced by changes in the level of business activity. In addition, inflationary pressures may lead to an increase in fixed costs which the Group would not be able to recover through increased revenues and, as a result, may reduce the Group's net income and cash flow. Similarly, because of the high capital requirements of the Group's operations and the significance of its fixed costs, the Group may not be able to reduce its cost base and the level of business activity rapidly enough to offset a decline in revenues, which may significantly affect the Group's cash flow and profitability disproportionately in comparison to the fall in revenues. Any decrease in the Group's cash flow or profitability could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Procurement risks

In the context of its ordinary business activity, the Group purchases commodities, energy and various services, which are essential to its business.

Supply chain risk may be related to the risk of loss arising from shortcomings, failures (including failures to provide the volumes of energy resources necessary for the Issuer to meet the demand for its service), violations, errors, logistical issues, interruptions, damages in internal processes, people or systems (including, but not limited to IT systems on which ATM is highly dependent to perform its business activities) and from external unforeseeable events (including, but not limited to the risk of fraud by employees and third parties or operational errors, including errors resulting from faulty information technology, telecommunication systems, IT virus, cyber-attacks or malfunction of electronic and/or communication services). Major supply chain risks may arise from failure to comply with the contractual specifications by suppliers of goods (such as new rolling stock or spare parts) and services (such as maintenance services) to the Group.

The Group relies on a limited number of suppliers of electricity and fuel and such reliance involves a number of risks, including reduced control over costs and supply interruption and those deriving from the evolution of transition scenarios. Disruptions in the supply of energy resources or failure to provide the volumes of energy resources necessary for the Issuer to meet the demand for its service may also temporarily impair the Group's business operations. Such disruptions may also occur as a result of the termination of the Group's supply contracts, the insolvency of the Group's suppliers or the Group's inability to enter into new supply contracts on commercially acceptable terms. Natural catastrophes, terrorist attacks and similar events, wars and other geopolitical conditions and similar events and political and economic factors beyond the Group's control could also affect electricity or volatility of the price of commodities.

Despite the introduction of certain energy saving measures, the Group is still exposed to substantial variations in energy prices, in particular fuel and electricity (see *" – Commodity price risk"* below), or any significant interruption in supplies of energy commodities.

Any significant disruption or increase in energy costs as a result of these factors or otherwise could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

With specific reference to rolling stock and related spare parts supplies, the Group has used different procedures for the entry into service of rolling stock, providing for the full involvement of the manufacturer for long trial periods and rolling stock certification issued by relevant public authorities, without taking delivery of the rolling stock. In addition, the general crisis in the credit markets has affected railway sub-suppliers, thereby creating, in some cases, increased pressure on manufacturers which are also small/medium businesses. Notwithstanding the complex control systems in place to prevent operational issues from causing major service disruptions, there can be no assurance that the above risks will not lead to operational difficulties that could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risks associated with permits and approvals

The Group's activities entail exposure to regulatory, technical, commercial, economic and financial risks related to the obtaining of relevant permits and approvals from regulatory, legal, administrative, tax and other authorities and agencies. The processes for obtaining these permits and approvals may be lengthy, complex, unpredictable and costly. For example, the entry into service of new trains in the Milan underground network is subject to long trial periods and certification by relevant public authorities. As a consequence, if the Group is unable to maintain or obtain the relevant permits and approvals, its ability to achieve its strategic objectives could be impaired, adversely affecting the business, results of

operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Business concentration risk

Geographically, the Issuer's key market is the Italian Region of Lombardy, as currently allotted to the Issuer, where the Issuer has historically operated and where the majority of its services are currently performed.

Adverse changes in territory allotment of different services provided to the Italian Region of Lombardy, could affect the recoverability and value of the Issuer's assets and require an increase in the Issuer's impairment provision for bad and doubtful debts and other provisions, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

The Group could be adversely affected by events that might cause reputational damage

Various issues may give rise to reputational risk and cause harm to the Group. Reputational risk denotes the danger that an event or several successive events might cause reputational damage, which might limit the Group's current and future business opportunities and activities and thus lead to indirect financial losses (such as a reduction in investment opportunities, revenues, availability and cost of financing) or direct financial losses (such as penalties and litigation costs). Damage to the Group's reputation or image could result in a direct effect on the financial success of the Group.

The issues that could give rise to reputational risk include catastrophic events on the Group's infrastructure, reputational loss for the Group in general, legal and regulatory requirements, antitrust and competition law issues, ethical issues, environmental issues, money laundering and anti-bribery laws, data protection laws, information security policies, or problems with services provided by the Group or by third parties on its behalf. Failure to address these issues appropriately could also give rise to additional legal risk, which could adversely affect existing litigation claims against the Group and the amount of damages asserted against the Group or subject it to additional litigation claims or regulatory sanctions. Any of the above factors could have a material adverse effect on the brand and reputation of the Group, which, in turn, could have a material adverse effect on the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risks relating to skills and expertise of the Group's operational workforce

The Group's ability to operate its business effectively depends significantly on the skills, competencies and professional expertise of its operational workers, which are one of the key pillars of the Group's sustainability policy and an integral part of its business and at the heart of mobility. Operational workers are crucial to the execution of operations and projects, ensuring the achievement and the growth and development of the Group's business and financial results. If relations with these key individuals are terminated for any reason, the Group may not be able to immediately replace them with people equally qualified and capable of delivering the same operational and professional services or following the same operational strategies. Although the Issuer is strongly committed to promoting a positive work environment and building company policies that enhance the individual and diversity by enabling, *inter alia*, the strengthening of people's engagement with the purpose of reducing operational workers turnover, the loss of top executives or key staff members and the potential inability to attract or maintain highly qualified personnel or competent executives may have a material adverse effect on the Group's business, financial condition and results of operations, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

2. Risks relating to The Group exposure to global macro-economic factors

The Group is exposed to global macro-economic factors over which it has no control, including without limitation any adverse financial and macro-economic conditions within the global markets

The Group's business is influenced by a number of geopolitical tensions and macro-economic factors that range from the ongoing Israel-Palestine conflict, the Russia- Ukraine conflict, to higher inflationary pressures as well as tight monetary policies across both developed and emerging markets. All such factors may lead to a deterioration of the markets in which it operates.

Should the ongoing Israel-Palestine conflict escalate to the broader Middle Eastern region or draw western countries into the conflict, global sentiment, commodity prices and financial markets may be impacted. Rising security concerns is another channel which may increase volatility in global financial markets.

The continuation of the conflict between Russia and Ukraine could negatively affect European and global macro-economic conditions. In particular, the conflict may continue to: (i) negatively impact trade relations, (ii) affect oil and gas supplies, therefore placing additional upward pressure on fuel and energy prices, (iii) create uncertainty in financial markets, and (iv) add to already elevated geopolitical tensions. Supply shortages may ensue and could add to inflationary pressures which could cause adjustments to long-term inflation expectations which, in turn, may cause upward pressure on interest rates and adversely affect economic conditions.

The Group may be affected as a result of the volatility in the prices of commodities see " – *Commodity price risk*" below) originating from the countries affected by the Russia-Ukraine conflict and potentially the Israel-Palestine conflict, with a possible generalized increase in inflation and specifically of energy commodities (e.g., oil, gas and coal).

Furthermore, the banking turmoil in March 2023 in the US and Europe raised concerns about the economic impact of a sudden pullback in credit growth. While the risks of a banking crisis have receded, in a period of modest global growth characterized by still elevated inflation and high interest rates, a sudden repricing risk could trigger a further tightening in financial conditions and expose funding weaknesses.

In the emerging market space, concerns such as China's economic momentum, the deep property market downturn and associated strains in local government financing, have affected global market sentiment. Protracted weakness in the property sector and the negative impact on the economy could test the financial system's resilience and create volatility in global financial markets.

To counter inflation, central banks have significatively increased interest rates over the recent period. While both the European Central Bank and the Federal Reserve System are in a data-driven mode in terms of future rate hikes and appear to be at or close to peak rates, further increases – especially in the US – may occur should second round inflationary effects maintain upward pressure on core inflation. Tighter monetary policy conditions may further exacerbate the ongoing downturn in the Eurozone economy as well as lead to a steeper than expected deceleration in the US. All of these factors may adversely affect some or all of the Group's companies and Group's ability to raise funding, with a consequent adverse impact on the Issuer's ability to fulfil its obligations under the Notes. Uncertainty surrounding the pace of future interest rate increases by major central banks has already resulted in significant volatility in financial markets around the world and such volatility may continue for a prolonged period of time.

More generally, the Group's earnings and financing costs may be affected by global economic downturns, high levels of geopolitical uncertainty and the risk of currency crises, in particular in the emerging countries where it operates. In addition, any significant changes in terms of customs, tax and regulatory policies or reduction to the current free trade areas may have a material adverse effect on the Group's business, financial condition and results of operations, with a consequent adverse impact

on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes. It should be noted that the tyre market has historically been more profitable and less cyclical than the automobile market.

Changes in the price of fuel, government policies in support of the automobile sector, the availability of credit (especially in relation to emerging markets) and weather conditions may all have material adverse effects on the Group's business, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes. Moreover, an unfavourable macro-economic context may hinder or restrict the Group's access to capital markets or prevent it from acceding to these markets under favourable conditions, with a material adverse effect on the Group's business, financial condition and operational results, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

The Group is subject to risks arising out of the "COVID-19" pandemic, any other pandemic disease or any other future outbreaks

The outbreak of the coronavirus disease ("**COVID-19**") during the first half of 2020 was declared a pandemic by the World Health Organization and the Secretary of Health and Human Services declared a public health emergency in the United States in response to the outbreak; likewise, the Italian Government also declared a state of emergency and passed a number of emergency measures to deal with the COVID-19 outbreak. These included restrictions on travel and the free circulation of people as well as institutional closures.

Although there is broad consensus on the gradual improvement of the global health outlook in the short to medium-term, this assumption contains elements of significant uncertainty, mainly related to the availability of vaccines on a large scale and the potential emergence of new variants and/or any other pandemic disease. If these risks were to persist during the year, they could lead to an alteration in normal market dynamics and, more generally, in business operating conditions.

The COVID-19 outbreak (and any future outbreaks) has led (and may continue to lead in relation to COVID-19 and/or any other pandemic disease) to disruptions in the economies of those nations where COVID-19 and/or any other pandemic disease has arisen and may in the future arise, including Italy, and may result in adverse impacts on the global economy in general. These circumstances have led to volatility in the capital markets, which may lead to volatility in or disruption of the credit markets at any time and may adversely affect the market value of the Notes. The potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess. If the spread of COVID-19 and/or any other pandemic disease persists for a significant period of time, or other measures are put in place, this could have a materially negative impact on the global economy.

Investors should note the risk that COVID-19 or any future outbreaks also of any other pandemic disease, or any governmental or societal response to COVID-19 and/or any other pandemic disease, may affect the business activities and financial results of the Issuer and the Group as a consequence of, but not limited to, a decrease in mobility, financial difficulties of customers, disruptions in the supply-chain, lay-offs of staff, or may impact the functioning of the financial system(s) needed to make regular and timely payments under the Notes, and therefore the ability of the Issuer to make payments under the Notes.

Risks related to information technology and cybersecurity

The digital transformation of the local transportation sector, the evolution of information and communication technology ("**ICT**") systems and the sophistication and proliferation of cyber threats (consequential also to the "hybrid" mode of work) have expanded the attack surface that malicious actors can exploit to potentially cause damages to business operations as well as reputational damages.

Moreover, an escalating and challenging geopolitical landscape, in conjunction with the resurgence of attack campaigns and the growing need for interconnections and interdependencies among computer systems, has redefined the technological risk scenario, confirming the need to implement a strategic

ICT security risk management process tailored to the priorities of the business and consistent with the potential of the digitalization process.

Most of the attacks observed by targeted local transportation sector's ICT systems – such as passenger services, ticketing systems, mobile application, display boards and others – caused disruptions to operations due to unavailability of ICT services. Consequently, the Group recognizes that it could be a target of cyber-attacks.

Another critical aspect for ICT risks remains the obsolescence of Operational Technologies ("**OT**") due to their lifecycle, which is much longer than the ICT systems to which they are interconnected at both the operational and security levels. The different evolution process between ICT and OT systems could potentially expose the operational infrastructures to known threats and vulnerabilities.

Nevertheless, ATM recognizes that its information and assets is as a critical factor to achieve business objectives, being aware that the protection of technological assets is a mandatory condition to guarantee operations and increase efficiency and competitiveness.

For all these reasons, since the beginning of processes, services and technological demand, ATM draws on international best-practices for its ICT management and implements cybersecurity controls by following the *"principles of security by design and security by default"*. This *modus-operandi* allows ATM's systems to respond to potential threats and any attacks that may affect confidentiality, integrity and availability of corporate information, strategic technological assets and intellectual property.

In line with the evolution of the ICT security framework, ATM has designed and developed – in accordance with the internal compliance system – processes that ensure an adequate level of physical, logical and organizational security. These processes are monitored by key performance indicators enabling reviews and continual improvement in terms of operation and cybersecurity management systems.

The adoption of technical and organizational measures appropriate and proportionate to risk management is a fundamental activity both for the strengthening of the capacity of defence and resilience of the infrastructures and for guaranteeing a high standard of reliability and quality of the service offered.

ATM has therefore developed a cybersecurity management strategy according to an integrated multi-level approach (operational, management and strategic) for operational continuity, information security and data protection.

Consequently, the organized structure has evolved with a view to ensuring, both at the governance and operational management levels, all the necessary functional safeguards for an effective protection of ICT and information assets.

Nevertheless, the occurrence of the risks described above could adversely affect the business, results of operations and financial condition of the Issuer and of the Group, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Commodity price risk

Due to the nature of its business, the Group is exposed to the price risk of energy commodities, i.e. electricity and petroleum products. The supply of energy, which occurs through purchases on the market, is affected by the price fluctuations of such commodities either directly or through indexation formulas. In addition, certain contracts contain an implicit exchange risk in indexing formulas, which adds an additional level of exposure exogenous variables that cannot be controlled.

The Group's policy has been aimed at minimizing the need to use the financial markets for hedging operations, both in oil products and in the supply of traction electricity.

In view of the extreme volatility of the markets, if needed, ATM will mitigate the risk of price fluctuations through operations of partial coverage. The occurrence of such energy commodities price risks could

adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risk related to climate change

In the medium-to-long-term, the industry in which the Group operates could face a number of risks linked to the effects of climate change.

The evolution of the climate context and the envisaged scenarios in the use of energy sources involve direct and indirect potential risks for ATM, as well as opportunities, which may affect the correct implementation of the Strategic Industrial Plan, with particular reference to the energy transition process and the complete electrification of the integrated mobility system, as well as emissions reduction.

In addition, the increase in average temperatures and the increasing frequency of extreme meteorological events could have a negative impact on the safety of industrial sites and employees, involving defence and repair costs and jeopardising continuity of operations, as well as interfering in the processes of energy supply.

Climate change could also cause physical risks related to extreme weather events, resulting in potentially more or less prolonged unavailability of assets and infrastructure, recovery costs, and customer disruption.

If such events were to occur, they may have a material adverse effect on the Group's business, financial condition and results of operations. This could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

3. Financial risks

Risks relating to restrictive covenants under the Group's financing agreements

Any new long-term financial indebtedness that the Group may incur may contain restrictive covenants (subject to any exceptions agreed between the Issuer and its lenders) that must be complied with by the relevant borrowers and guarantors (i.e. ATM and the other companies of the Group). Such covenants may restrict, among others, the Issuer's ability to:

- make certain capital expenditures or investments;
- incur additional indebtedness or issue guarantees, including for the purpose of refinancing of existing indebtedness;
- sell, lease, transfer or dispose of assets;
- merge or consolidate with other companies;
- make a substantial change to the general nature of the Issuer's or the Group's business;
- pay dividends and make other distributions or restricted payments; and
- enter into transactions with affiliates.

The documentation for any of the Group's future borrowings may also provide for financial covenants, the breach of which would lead to an event of default, as well as other terms (including representations, covenants, mandatory prepayment provisions, trigger events, events of default and "change of control" provisions, which, if triggered, may result in the mandatory prepayment of the relevant financing arrangements), all of which are likely to be more restrictive than the Conditions.

In addition, certain of such agreements may contain provisions, including covenants requiring the maintenance of particular financial ratios, which may constrain the Group's ability to incur new debt.

The restrictions and limitations contained in the documentation in any future borrowings, as well as those contained in the Conditions, could affect the Group's ability to operate its business, such as its ability to finance its operations, fund capital expenditure and implement its investment plans or finance its capital needs. Additionally, the Group's ability to comply with these covenants and restrictions may be affected by events beyond its control, including, prevailing economic, financial and industry conditions. If the Group breaches any of these covenants or restrictions, it could result in a default under the relevant documentation for its borrowings. If an event of default were to occur under any loans that is not cured or waived, the creditors could terminate their commitments and declare all amounts outstanding to be immediately due and payable.

The same considerations apply to the existing indebtedness of the Group (see *"Description of the Issuer – Financing"* below), for which the documentation contains, among others, customary covenants and events of default. If the Issuer breaches any of these covenants or otherwise triggers an event of default under the relevant documentation, unless such default is cured or waived, the creditors could terminate their commitments (and the Issuer may not be subject to any obligations *vis-à-vis* the Noteholders) and accelerate repayment of all amounts outstanding.

The failure to comply with any of the abovementioned covenants as well as the mandatory prepayment triggered by said "change of control" provisions, or any triggering of an event of default and acceleration of payments, could have a material adverse effect upon the Group, its business prospects, its financial condition or its results of operations, could result in cross-defaults under other indebtedness, including the Notes, and could force the Issuer into bankruptcy or liquidation, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

The Group is exposed to funding risks

As at the date of this Base Prospectus, the Group partly funds its activities through bank loans. The Group's ability to borrow from banks or in the capital markets to meet its financial requirements is dependent on favourable market conditions. If sufficient sources of financing are not available in the future for these or other reasons, the Group may be unable to meet its funding requirements, which could materially and adversely affect its financial condition and results of operations, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

The Group's approach to managing funding risk is aimed at securing competitive financing and ensuring a balance between average maturity of funding, flexibility and diversification of sources. However, these measures may not be sufficient to protect the Group fully from such risk and this could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Credit risk

Credit risk represents the Issuer's exposure to potential losses that may be incurred if a commercial or financial counterparty fails to meet its obligations. With reference to its activities in the area of the City of Milan, almost all receivables are due from the City of Milan or other public entities, thus reducing the potential for credit risk. The Issuer seeks to address this risk with policies and procedures regulating the monitoring of expected collection flows, the issue of reminders, the granting of extended credit terms if necessary and the implementation of suitable recovery measures. This risk has intensified in recent years due to a multitude of factors, including the outbreak of COVID-19 and/or any other pandemic disease, the Russia-Ukraine crisis and, potentially, the Israel-Palestine conflict, and the Issuer has reacted by implementing a series of preventive measures, which include an increase in internal and external credit management controls. Notwithstanding the foregoing, a general increase in default rates could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risks relating to downgrading

Credit ratings are an important component of the Group's liquidity profile and affect the cost and other terms upon which the Group is able to obtain funding.

The Issuer's credit ratings closely reflect the rating of the Republic of Italy and are therefore exposed to the risk of reductions in the sovereign credit rating of the Republic of Italy. Accordingly, on the basis of the methodologies used by rating agencies, further downgrades of Italy's credit rating may have a consequential effect on the credit rating of the Issuer. Therefore, any future downgrade in ratings assigned to the Republic of Italy would determine corresponding changes in ATM's credit ratings which could adversely affect its business, results of operations and financial condition, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

There is no assurance that a rating will not be downgraded or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. A decision by a rating agency to downgrade or withdraw the Group's credit rating (for whatever reason) may adversely affect the Issuer's access to alternative sources of funding and may increase the cost of funding, all of which could have an adverse effect on the Issuer's financial condition or results of operations, with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risks relating to joint ventures, partnerships and future acquisitions

In the future, the Group may establish partnerships or joint ventures or make acquisitions to develop and implement its strategy or strengthen its core business. However, the possible benefits or expected returns from such joint ventures, partnerships and acquisitions may be difficult to achieve or may prove to be less valuable than the Group will estimate. Furthermore, such investments are inherently risky as the Group may not be in a position to exercise full influence over the management of the joint venture company or partnership and the business decisions taken by it. More specifically, such risk and management uncertainties are mainly due to the possible emergence of differences between the partners concerning operational and strategic objectives and difficulties in resolving any conflicts between them related to the routine management of the joint venture. In addition, joint ventures, partnerships and acquisitions bear the risk of difficulties that may arise when integrating people, operations, technologies and products. This could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Although the Group may aim to participate only in ventures in which its interests are aligned with those of its partners, it cannot guarantee that its interests will remain so aligned. Although strategic joint ventures are intended to be stable operational structures, contracts governing such projects typically include provisions for terminating the venture or resolving deadlock caused by disagreements between the partners over decisions on certain subjects concerning the Board or Shareholders' Meetings for which particular qualified majorities (or in some cases, unanimity) are required. These deadlocks, together with the occurrence of any breach of obligations by one of the partners of the joint ventures, may cause management problems within the joint venture, impede implementation of the strategies or even result in an exit of one of the partners. Moreover, the dissolution of business ventures can be both lengthy and costly and the Group cannot give any assurance that any strategic alliances will endure for a period of time compatible with its strategy.

In addition, the success of acquisitions depends in part on the Group's ability to identify successfully and acquire suitable companies and other assets on acceptable terms and, once they are acquired, on the successful integration into the Group's operations, as well as its ability to identify suitable strategic partners and conclude suitable terms with them. Any inability to implement an acquisition strategy or a failure in any particular implementation of this strategy could have an adverse impact on the Group's business, financial position and results of operations with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Interest rate risk

The Group's financial flows are exposed to movements in interest rates that may affect cash flows, the market value of the Group's financial assets and liabilities and the levels of net financial expenses. As of the date of this Base Prospectus, nearly most of the Group's long-term direct financial indebtedness has a fixed rate interest. However, the Group may in the future evaluate an increase of its exposure to floating rate interest indebtedness, which would expose the Group to fluctuations in rates of interest on its financial indebtedness. The occurrence of any of these risks, could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

4. Legal and regulatory risks

Risks in connection with changes in public transport regulations

The Group's LPT activities are classified as "essential public service" (servizio pubblico essenziale) pursuant to Law No. 146/1990 and, as a result, the Group therefore operates in a heavily regulated environment in accordance with European, Italian and local laws, regulations and guidelines which apply to several aspects of the provision of the LPT services (such as the tender process for the award of contracts, conditions for operation of the LPT service and quality standards, as well as the setting of fares and public funding).

Any changes to the applicable legislation and regulations, whether at a local, national or European level, or in their interpretation, could adversely affect the Group's business, results of operations or financial condition with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes. Such changes could relate, inter alia, to the procedure for awarding and/or renewing concessions, the tariffs charged by the Group for its services, the determination of any indemnity or compensation due to the Group in the event of termination or loss of any contracts, environmental, safety or other workplace laws and tax rates. Public policies relating to energy efficiency and/or air emissions might also affect the market and, in particular, the regulated sectors in which the Group operates.

It is not possible to predict which changes to law and regulations will be enacted in the foreseeable future and how such changes will affect the Group. In addition, new legislative measures may be introduced aimed at a further liberalisation of the market, which could facilitate the entry of new competitors into the market or affect the duration of the Group's concessions. Any additional costs incurred and investments made by the Group in order for it to comply with any applicable regulation, as well as any loss of potential business opportunities, could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risk relating to any breaches of the organisation and management model

Legal and compliance risks include the risk of judicial or administrative sanctions, suffering losses or reputational damage as a result of non-compliance with directly applicable European laws, regulations and standards or supervisory measures or self-regulatory rules, such as statutes, codes of conduct or codes of self-discipline, risk arising from unfavourable changes in the regulatory framework or jurisprudential guidelines.

These include, among others, the risks linked to the commission of predicate offenses referred to in Italian Legislative Decree 231/2001 ("**Decree 231/2001**"), which imposes direct liability on the Issuer for certain unlawful actions or administrative offenses committed by its executives, directors, agents and/or employees. In this context, ATM and its direct subsidiaries have adopted their own model pursuant to Decree 231/2001 ("**231 Model**") (periodically and systematically updated via a *risk assessment* and *gap analysis*), which represents the system of control safeguards in place for the prevention of the commission of offences under Decree 231/2001. The list of offences under Decree 231/2001 currently covers, among others, bribery, theft of public funds, unlawful influence of public officials, corporate

crimes (such as false accounting), fraudulent acts and market abuse, as well as health and safety and environmental hazards. In order to reduce the risk of liability arising under Decree 231/2001, the Issuer has adopted an organisation, management and supervision 231 Model to ensure the fairness and transparency of its business operations and corporate activities and provide guidelines to its management and employees to prevent them from committing such offences. The Models 231 are also harmonized with the Anticorruption and Transparency model of the Group, adopted on a voluntary basis and most recently updated on 13 December 2021. Furthermore, the Issuer has appointed a supervisory body to oversee the functioning and updating of, and compliance with, its 231 Model. The supervisory body has not identified any issue in the course of the 2023 financial period or in the annual report.

Notwithstanding the adoption of these measures, the Issuer could still be found liable for the unlawful actions of its officers or employees if, in the relevant authority's opinion, Decree 231/2001 has not been complied with. This could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

The Group is defendant in a number of legal proceedings and may from time to time be subject to inspections by tax and other authorities

From time to time the Group is, and may be, involved in proceedings, claims or investigations arising in the ordinary conduct of its business, including legal, civil, criminal, labour, governmental, administrative, antitrust and tax proceedings. The Group is not able to predict the potential for, or the ultimate outcome of, any of such proceedings, claims or investigations. In addition, the Group may in future years incur significant losses, over and above the amounts already provisioned in its financial statements, from pending or future legal claims and proceedings owing to: (i) uncertainty regarding the final outcome of such proceedings, claims or investigations; (ii) the occurrence of new developments that the Issuer could not take into consideration when evaluating the likely outcome of such proceedings, claims or investigations; (iii) the emergence of new evidence and information; and (iv) the underestimation of likely future losses. Whilst the Group adopts measure to mitigate damages or penalties, including by entering into insurance contracts, the Group may be unsuccessful in any of the proceedings the Group is, or may be involved in.

Adverse outcomes in existing or future proceedings, claims or investigations could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

Risks related to insurance coverage

The Group maintains insurance coverage in an amount that it believes to be adequate to protect itself against a variety of risks, such as property damage and third-party claims. However, there can be no assurance that: (i) the Group will be able to maintain the same insurance coverage in the future (on terms considered acceptable by the Group or at all); (ii) claims will neither exceed the amount of coverage nor fall outside the scope of the risks insured under the relevant policy; (iii) insurers will at all times be able to meet their obligations; or (iv) the Group's provisions for uninsured or uncovered losses will be sufficient to cover the full amount of liabilities eventually incurred. Any of these scenarios could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

The Group's operations are subject to extensive environmental laws and Italian and European public procurement rules

The Group is subject to extensive rules and regulations regarding, *inter alia*, the environment and public procurement.

The Group's compliance with environmental laws and regulations involves the incurrence of significant costs relating to environmental monitoring, installation of pollution control equipment, emission fees, maintenance and upgrading of facilities, remediation and requests for permits. The costs of compliance with existing environmental legal requirements or those not yet adopted may increase in the future. An increase in such costs could have an adverse impact on the Group's business, financial condition and results of operations.

The Group is also subject to part of the Italian and European regulations regarding public procurement. The Issuer and its Italian subsidiaries are public undertakings (*impresa pubblica*) pursuant to Italian Legislative Decree No. 36/2023 ("**Public Contracts Code**"), Annex I, Article 1, letter f), and are, therefore, subject only to the provisions applicable to the so-called "special sectors" referred to in Articles 146 to 152 of the Public Contracts Code. The Issuer operates in the "transportation services" sector under Article 149 of the Public Contracts Code and is, therefore, subject to the provisions of the Public Contracts Code (e.g. the obligation to carry out public tenders) exclusively for the awarding of contracts that are instrumental from a functional point of view to the operation of the transportation service (see Article 141, paragraph 2, of the Public Contracts Code).

This entails that the award by the Issuer of such type of instrumental contracts for works, services and supplies shall be preceded by a public tender for the selection of the contracting party. The calls for tender, the measures taken in connection with tenders and the results of the process may be challenged before Regional Administrative Tribunals (*Tribunali Amministrativi Regionali*, "**TAR**"). In particular, the measures adopted by the Group concerning exclusion from a tender or the award of contracts, or the measures that may follow the exclusion (such as the enforcement of a temporary deposit and/or the report to the Italian National Anti-Corruption Authority (Autorità Nazionale Anticorruzione, "**ANAC**") for the imposition of sanctions) may be challenged before the competent TAR. Furthermore, public procurement rules are strongly affected by any changes in the relevant European legislation, by developments in administrative case law, and in ANAC's resolutions.

In terms of both business resources and time, the complexity of the procedures arising from such rules involves higher costs for the Group than those incurred by entities not having such obligations. This could adversely affect the efficiency and the timeframe in which the Group is able to obtain supplies, services and facilities necessary for the performance of its activities. In addition, the applicability of Italian and European public procurement rules could be expanded in the future, causing the Group to incur additional costs in the performance of its activity.

All of the above factors could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

5. Risks relating to the Issuer's ownership structure

The Group is controlled by the City of Milan whose interests may not be fully aligned with the interests of the holders of the Notes

As of the date of this Base Prospectus, the City of Milan directly owns 100% of ATM's share capital and voting rights and has the power to appoint directly all members of the Board of Directors and the Board of Statutory Auditors. See "*Description of the Issuer – Share Capital and Shareholders*" below. In addition, the Group and the City of Milan have significant business relationships, as the City of Milan has awarded the management of the integrated transport network in Milan to the Group which represented most of the Group's revenues for the year ended 31 December 2023.

The interests of the City of Milan may not in all cases be aligned with the interests of the holders of the Notes. For example, if the Group encounters financial difficulties or is unable to pay its debts as they mature, the interests of the City of Milan might conflict with the interests of the holders of the Notes. In addition, the City of Milan may have an interest in influencing the Issuer's strategy, including in connection with the incurrence of indebtedness or in connection with acquisitions, divestitures, mergers,

financings or other transactions that, in its judgment, could enhance its equity investments, even though such transactions might involve risks for the holders of the Notes.

The occurrence of any of these risks could adversely affect the business, results of operations and financial condition of the Issuer and of the Group with a consequent adverse impact on the market value of the Notes and the Issuer's ability to fulfil its obligations under the Notes.

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

1. Risks related to the structure of a particular issue of Notes which may be issued under the Programme

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 the reinvestment risk in light of other investments available at that time.

In addition, with respect to the Clean-Up Call (Condition 8.4 (*Redemption at the option of the Issuer (Clean-Up Call)*), there is no obligation on the Issuer to inform investors if and when 20 per cent. or less of the initial aggregate principal amount of a particular Series of Notes (including any Notes issued pursuant to Condition 15 (*Further Issues*)) remains outstanding, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Clean-Up Call the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

Redemption for tax reasons

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions. If the Issuer calls and redeems the Notes in the circumstances mentioned above, the Noteholders may not be able to reinvest the redemption proceeds in comparable securities offering a yield as high as that of the Notes.

The exercise of a put option by Noteholders may adversely affect the Issuer's financial position

The Notes may contain provision for a put option upon the occurrence of certain events relating to the Issuer, as set out in Condition 8.5 (*Redemption at the option of the Noteholders*), which will entitle the Noteholders under certain circumstances to require the Issuer to redeem their outstanding Notes in whole (but not in part) at the Optional Redemption Amount. In particular, Noteholders will have the right to require the Issuer to redeem their Notes in whole (but not in part) upon a Change of Control, a Change of Business or a Service Contract Event.

However, it is possible that the Issuer will not have sufficient funds at the time of the Put Event to make the required redemption of Notes. If there are not sufficient funds for the redemption, Noteholders may receive less than the principal amount of the Notes if they elect to exercise such right. Furthermore, if such provisions were exercised by the Noteholders, this might adversely affect the Issuer's financial position.

The regulation and reform of "benchmarks" may adversely affect the value of Notes referencing EURIBOR

Interest rates and indices which are deemed to be "benchmarks" (including EURIBOR) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a "benchmark". The EU Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and applies 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) prevent 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 of the UK 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 UK Financial Conduct Authority (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 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. 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 "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.

On 21 January 2019, the euro risk-free rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Such factors may have (without limitation) the following effects on certain benchmarks (including EURIBOR): (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 or (iii) leading to the disappearance of the benchmark. It is not possible to predict with certainty whether, and to what extent, the relevant "benchmark" will continue to be supported going forwards and the relevant "benchmark" may perform differently than it has done in the past, and may have other consequences which cannot be predicted. Any of these 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 referencing a benchmark.

The Conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark, including an inter-bank offered rate such as EURIBOR (including any page on which such benchmark may be published (or any successor service)) becomes unavailable or a Benchmark Event otherwise occurs, including the possibility that the Rate of Interest or other amounts payable under the Notes could be set by reference to a Successor Rate or an Alternative Rate and that such Successor Rate or Alternative Rate may be adjusted (if required) in order to reduce or eliminate, to the fullest 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 fallback for the purposes of calculation of the Rate of Interest or other amounts payable under the Notes may be based upon a determination to be made by the Agent or the Calculation Agent or by an Independent Adviser appointed by the Issuer. 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 and in the event of a permanent discontinuation of any benchmark, the Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may be unable to determine a Successor Rate or Alternative Rate and any related benchmark amendments. In these circumstances, where any benchmark has been discontinued, the Rate of Interest will revert to the Rate of Interest applicable as at the immediately preceding Interest Period or, if there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. This will result in the floating rate Notes, in effect, becoming fixed rate Notes.

In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time. If the Independent Adviser determines that amendments to the Conditions are necessary to, *inter alia*, ensure the proper operation of any Successor Rate or Alternative Rate and/or Adjustment Spread, then such amendments shall be made without any requirement for the consent or approval of Noteholders, as provided by Condition 6.4 (d) (*Benchmark Amendments*).

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation reforms in making any investment decision with respect to any Notes referencing a benchmark.

Notes which are issued with variable interest rates or which are structured to include a multiplier or other leverage factor are likely to have more volatile market values than more standard securities

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

Fixed Rate Notes are vulnerable to fluctuations in market interest rates

An investment in Fixed Rate Notes involves being exposed to the risk that the price of such security falls as a result of changes in the current interest rate on the capital markets (the "**Market Interest Rate**"). While the nominal interest rate of a security with a fixed interest rate is fixed during the life of such security or during a certain period of time, the Market Interest Rate typically changes on a daily basis. As the Market Interest Rate changes, the price of such security moves in the opposite direction. If the Market Interest Rate increases, the price of such security typically falls whereas, if the Market Interest Rate falls, its price typically increases, in each case until the yield of such security is approximately equal to the Market Interest Rate. Investors should be aware that movements of the Market Interest Rate could adversely affect the market price of Fixed Rate Notes.

If the terms of any Note contemplate that the interest rate converts 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 are Notes which bear interest at a rate that convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the terms of the Notes contemplate such a conversion, this may adversely affect the secondary market in, and the market value of, such Notes since the conversion may produce a lower rate of return for Noteholders. If the rate converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the rate converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing market rates.

If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his 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: (i) the Investor's Currency-equivalent yield on the Notes; (ii) the Investor's Currency equivalent value of the principal payable on the Notes; and (iii) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate 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.

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 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.

In respect of any Notes issued as "Green Bonds", there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor

The Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply amount equivalent to the proceeds of any such Notes from an offer of those Notes specifically to finance and/or refinance Eligible Green Projects (as described under "*Use of Proceeds*" below) defined in accordance with the broad categorisation of eligibility for green projects as set out under the then applicable "Green Bond Principles" published by the International Capital Market Association ("**ICMA**") (namely, the Green Bond Principles dated June 2021, together with the June 2022 Appendix) ("**ICMA GBP**"). Prospective investors should determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary. In particular no assurance is given by the Issuer, any Dealer or any other person that

the use of amounts equivalent to the proceeds of any such Notes for any Eligible Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates (in particular with regard to any direct or indirect environmental or sustainability impact of any projects or uses, the subject of or related to, the relevant Eligible Green Projects). There can be no assurance that the relevant project(s) or use(s) (including those the subject of, or related to, any Eligible Green Projects) will be available or capable of being implemented in or substantially in the manner anticipated or described in the applicable Final Terms and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such project(s) or use(s). Nor can there be any assurance that any such projects will be completed within any specified period or at all or with the results, impact or outcome as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Notes. None of the Dealers accepts any responsibility for any environmental and sustainability assessment of any Notes issued as "Green Bonds" or makes any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding such "green", "sustainability" or similar labels. None of Dealers is responsible for the use of proceeds for any Notes issued as "Green Bonds", nor the impact or monitoring of such use of proceeds. None of a failure by the Issuer to allocate the proceeds of any Notes issued as "Green Bonds" or for the relevant project(s) or use(s) (including those the subject of, or related to, any Eligible Green Projects), or a failure of a third party to issue (or to withdraw) an opinion, report or certification in connection with an issue of any Notes, or the failure of the Notes to meet investors' expectations requirements regarding any "green", "sustainable" or similar labels will constitute an Event of Default or breach of contract with respect to any of the Notes issued as "green bonds" or "sustainability bonds". Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or "climate action" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green" or "climate action" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time.

A basis for the determination of the definition of "green" has been established in the EU with the publication in the Official Journal of the EU on 22 June 2020 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (the "**Taxonomy Regulation**") on the establishment of a framework to facilitate sustainable investment (the "**EU Sustainable Finance Taxonomy**"). The European Commission adopted the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 (the "**Taxonomy Climate Delegated Act**"), introducing the first set of technical screening criteria to define which activities contribute substantially to two of the environmental objectives under the EU Taxonomy: climate change adaptation and climate change mitigation. The Taxonomy Climate Delegated Act entered into force on 1 January 2022. In addition, on 10 March 2022 the EU Commission adopted the EU taxonomy Complementary Climate Delegated Act covering certain nuclear and gas activities. In addition, on 15 July 2022, Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities ("**Taxonomy Complementary Climate Delegated Act**") was published in the Official Journal. The Taxonomy Complementary Climate Delegated Act sets out the conditions under which nuclear and natural gas energy activities can be included in the list of economic activities covered by the EU Taxonomy Regulation and became applicable from 1 January 2023. Furthermore, on 6 April 2022 the European Commission adopted the Regulatory Technical Standards ("**RTS**") to Regulation (EU) 2019/2088 (the "**Sustainable Finance Disclosure Regulation**") which became applicable from 1 January 2023. Any further delegated act that is adopted by the EU Commission in implementation of the Sustainable Finance Taxonomy Regulation or the Sustainable

Finance Disclosure Regulation may further-more evolve over time with changes to the scope of activities and other amendments to reflect technological progress, resulting in regular review to the relating screening criteria.

Any such event or failure to apply an amount equivalent to the proceeds of any Notes of any issue of Notes for any Eligible Green Projects as aforesaid and/or withdrawal of any opinion or certification or any opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance Eligible Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Second-party Opinions may not reflect the potential impact of all risks related to any Notes issued as "Green Bonds"

Notes issued, if any, as "Green Bonds" may not be suitable investment for all investors seeking exposure to green assets. In connection with the issue of "Green Bonds" under the Programme, the Issuer has engaged Sustainalytics SARL, a specialised consulting firm, to issue on 12 April 2024 the Second-party Opinion assessing, *inter alia*, the alignment of the Green Financing Framework with the then applicable "Green Bond Principles" published by the ICMA (namely, the ICMA GBP) and that the relevant "green" use of proceeds is aligned with the Taxonomy Climate Delegated Act which specifies technical screening criteria (TSC) for economic activities that contribute to climate adaptation and climate mitigation, under the Taxonomy Regulation and, in the future, the Issuer may request the issuance of further second-party opinions from specialist consulting firms or rating agencies (any such second-party opinion, a "**Green Bond Second-party Opinion**").

The relevant Green Bond Second-party Opinion may not reflect all the features of such kind of debt securities nor discuss all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes or the projects financed and/or refinanced toward an amount equivalent to the net proceeds of the relevant issue of Notes in the form of "Green Bond". The relevant Green Bond Second-party Opinion would not constitute a recommendation to buy, sell or hold, as the case may be, the relevant "Green Bonds". Furthermore, any such Green Bond Second-party Opinion would only be current as of the date it was initially issued and the Issuer does not assume any obligation or responsibility to procure any release any update or revision of any such documents related to "Green Bonds".

A withdrawal of the relevant Green Bond Second-party Opinion may affect the value of such Notes in the form of "Green Bonds" and/or may have consequences for certain investors with portfolio mandates to invest in green or sustainable assets, as the case may be. Furthermore, prospective investors must determine for themselves the relevance of any such framework, opinion, report or certification and/or the information contained therein and/or the provider of such opinion, report or certification for the purpose of any investment in the Notes.

Moreover, a Green Bond Second-party Opinion provider and providers of similar opinions, reports and certifications are not currently subject to any specific regulatory or other regime or oversight. Any such opinion, report or certification is not, nor should be deemed to be, a recommendation by the Issuer, any member of the Group, the Arrangers, the Dealers (including any of their respective affiliates and parent companies) or any Green Bond Second-party Opinion providers or any other person to buy, sell or hold "Green Bonds".

Noteholders have no recourse against the Issuer, any of the Dealers (including any of their respective affiliates and parent companies) or the provider of any such opinion, report or certification for the contents of any such opinion, report or certification, which is only current as at the date it was initially

issued. Prospective investors must determine for themselves the relevance of any such opinion, report or certification and/or the information contained therein and/or the provider of such opinion, report or certification for the purpose of any investment in the "Green Bonds". Any withdrawal of any such opinion, report or certification or any such opinion, report or certification attesting that the Group is not complying in whole or in part with any matters for which such opinion, report or certification is opining on or certifying on may have a material adverse effect on the value of the "Green Bonds" and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Subject to as specified under " – *In respect of any Notes issued as "Green Bonds", there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor*" above, even if the relevant Green Bond Second-party Opinion is obtained in respect of any series of "Green Bonds" and any issue will be made in accordance with the ICMA GBP referred to in the Green Financing Framework, no assurance is or can be given to investors by the Issuer, any other member, any other member of the Group, the Arrangers, the Dealers (including any of their respective affiliates and parent companies) or any Green Bond Second-party Opinion providers that the "Green Bonds" will meet any or all investor expectations regarding the "Green Bonds" or the Group's targets qualifying as "green" or that any adverse other impacts will not occur in connection with the Group striving to achieve such targets. The foregoing is also due to the fact that there is currently no clearly-defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes a "green" or equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green" (and, in addition, the requirements of such label may evolve from time to time). Furthermore, any withdrawal of any opinion or certification attesting that the Issuer is or is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying will not trigger any Event of Default under the Conditions.

Investors should therefore make their own assessment as to the suitability or reliability for any purpose whatsoever of any opinion, report or certification of any third party in connection with the offering of "Green Bonds".

For the avoidance of doubt, as stated above, any such framework, opinion, report or certification and any other document related thereto is not, nor shall it be deemed to be, incorporated in and/or form part of this Base Prospectus.

2. Risks related to Notes generally

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, unless such ratings are issued by a credit rating agency established in the EU 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 whilst the registration application is pending). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU registered credit rating agency or the relevant non-EU 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). If the status of the relevant rating agency changes, European regulated investors may

no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes which may impact the value of the Notes and any secondary market. 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.

Similarly, in general, investors regulated in the UK are subject to similar restrictions under 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 not established in the UK, such third country credit ratings can either be: (a) endorsed by a UK-registered credit rating agency and registered under the UK CRA Regulation; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation, in each case subject to (i) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (ii) transitional provisions that apply in certain circumstances.

If the status of the relevant rating agency rating the Notes changes for the purposes of the EU 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. This may result in such regulated investors selling the Notes which may impact the value of the Notes and their liquidity in any secondary market.

Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus and if a Tranche of Notes is rated such rating will be disclosed in the applicable Final Terms.

The claims of Noteholders are structurally subordinated with respect to the Issuer's Subsidiaries

A significant part of the operations of the Group are conducted through the Subsidiaries of the Issuer. Noteholders will not have a claim against any Subsidiary of the Issuer and the assets of those Subsidiaries will be subject to prior claims by their creditors, regardless of whether such creditors are secured or unsecured.

Change of law or administrative practice

The Conditions of the Notes are based on English law, although certain provisions relating to the Notes are subject to compliance with certain mandatory provisions of Italian law, such as those applicable to Noteholders' meetings and to the appointment and role of the Noteholders' representative (*rappresentante comune*), in each case in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English or Italian law or administrative practice after the date of issue of the relevant Notes and any such change could materially adversely impact the value of any Notes affected by it. See also "*Noteholders' meeting provisions may change by operation of law or because of changes in the Issuer's circumstances*" below.

Decisions at Noteholders' meetings bind all Noteholders

Provisions for calling meetings of Noteholders are contained in the Agency Agreement and summarised in Condition 14.1 (*Meetings of Noteholders*). Noteholders' meetings may be called to consider matters affecting Noteholders' interests generally, including modifications to the terms and conditions relating to the Notes. These provisions permit defined majorities to bind all Noteholders, including those who did not attend and vote at the relevant meeting or who voted against the majority. Any such modifications to the Notes (which may include, without limitation, lowering the ranking of the Notes, reducing the amount of principal and interest payable on the Notes, changing the time and manner of payment, changing

provisions relating to redemption, limiting remedies on the Notes and changing the amendment provisions) may have an adverse impact on Noteholders' rights and on the market value of the Notes.

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

As mentioned in "– *Change of law or administrative practice*" above, the provisions relating to Noteholders' meetings (including quorums and voting majorities) are subject to compliance with certain mandatory provisions of Italian law, which may change during the life of the Notes. In addition, as currently drafted, the rules concerning Noteholders' meetings are intended to follow mandatory provisions of Italian law that apply to Noteholders' meetings where the issuer is an Italian unlisted company. As at the date of this Base Prospectus, the Issuer is an unlisted company but, if its shares were listed on a securities market while the Notes are still outstanding, then the mandatory provisions of Italian law that apply to Noteholders' meetings would be different (particularly in relation to the rules relating to the calling of meetings, participation by Noteholders at meetings, quorums and voting majorities). In addition, certain Noteholders' meeting provisions could change as a result of amendments to the Issuer's By-laws. Accordingly, Noteholders should not assume that the provisions relating to Noteholders' meetings contained in the Agency Agreement and summarised in the Conditions will correctly reflect mandatory provisions of Italian law applicable to Noteholders' meetings at any future date during the life of the Notes.

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

The Notes may be subject to withholding taxes in circumstances where the Issuer is not obliged to make gross up payments and this would result in Noteholders receiving less interest than expected and could significantly adversely affect their return on the Notes. Prospective purchasers of Notes should consult their tax advisers as to the overall tax consequences of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any national, regional or local tax laws of any country or territory. See also the section of this Base Prospectus entitled "*Taxation*".

FATCA may affect payments made in respect of the Notes

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including the jurisdiction of the Issuer) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify way in which FATCA applies in their jurisdictions. 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 the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under Condition 15 (*Further Issues*)) 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. Noteholders should consult their own tax advisors regarding how these rules may apply to their investment in the 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.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE NOTES AND THE NOTEHOLDERS IS UNCERTAIN AT THIS TIME. EACH NOTEHOLDER OF NOTES SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT EACH NOTEHOLDER IN ITS PARTICULAR CIRCUMSTANCE.

The listing of the Notes may not satisfy the listing requirement of Legislative Decree No. 239 of 1 April 1996, as amended and supplemented ("Decree No. 239")

Application has been made for the Notes issued under the Programme to be admitted to trading on the regulated market of Euronext Dublin and to be listed in the Official List of Euronext Dublin. However, such listing may not meet the listing requirements established by Decree No. 239 and by the Italian tax authorities, which in Circular Letter No. 4/E of 6 March 2013 stated that the listing requirement has to be satisfied upon the Issue Date of the relevant Tranche of Notes. Considering that there cannot be assurance that the relevant Tranche of Notes will be listed on the respective Issue Date, there may be the risk that the Notes may not fall within the scope of, and benefit from, the tax regime set forth in Decree No. 239. If this were the case, payments of interest, premium and other income with respect to the Notes would be subject to a withholding tax generally at a rate of 26 per cent. (potentially reduced (generally to a 10 per cent. rate) under certain applicable tax treaties entered into by Italy, subject to timely filing of the required documentation) and, subject to certain exceptions (see Condition 9 (*Taxation*)), the Issuer would be required to pay additional amounts with respect to such withholding taxes such that Noteholders receive a net amount that is not less than the amount that they would have received in the absence of such withholding. The imposition of withholding taxes with respect to payments on the Notes and the resulting obligation to pay, subject to certain exemptions, additional amounts to Noteholders could have a material adverse effect on our financial condition and results of operations.

Not all investors in the unlisted Notes will be able to obtain the benefits of the regime under Decree No. 239

Unlisted notes issued by companies other than banks, companies whose shares are traded on a regulated market or multilateral trading facility of an EU or EEA country which is included in the so-called Italian "white list" (as identified currently in Ministerial Decree of 4 September 1996, as subsequently amended and supplemented), and economic public entities transformed in joint-stock companies by virtue of a provision of law, will fall within the scope of Decree No. 239 only if all the notes are subscribed, held and circulated exclusively by qualified investors as defined under Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended or supplemented from time to time ("**Decree No. 58**"). Based on the interpretation of the Italian tax authorities, if some of these unlisted notes are subscribed, held or circulated by investors other than qualified investors, then all the notes shall be outside the scope of Decree No. 239 (see Circular Letter No. 29/E of 26 September 2014).

If this were the case, payments of interest, premium and other income with respect to the Notes would be subject to a withholding tax generally at a rate of 26 per cent. (potentially reduced (generally to a 10 per cent. rate) under certain applicable tax treaties entered into by Italy, subject to timely filing of the required documentation) and, subject to certain exceptions (see Condition 9 (*Taxation*)), we would be required to pay additional amounts with respect to such withholding taxes such that Noteholders receive a net amount that is not less than the amount that they would have received in the absence of such withholding. The imposition of withholding taxes with respect to payments on the Notes and the resulting

obligation to pay, subject to certain exemptions, additional amounts to Noteholders of the Notes could have a material adverse effect on our financial condition and results of operations.

Investors who purchase Notes in denominations that are not an integral multiple of the 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 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 his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes 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 his 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 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.

Investors must rely on the procedures of the clearing systems

Notes issued under the Programme will be represented on issue by one or more Global Notes that may be deposited with a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") (the "**ICSDs**"). Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. While the Notes are represented by one or more Global Notes, the ICSDs and their respective direct and indirect participants will maintain records of the beneficial interests in the Global Notes and investors will be able to trade their beneficial interests only through the ICSDs and their respective participants. Similarly, while the Notes are represented by Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to the ICSDs for distribution to their accountholders and has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. A holder of a beneficial interest in a Global Note must therefore rely on the procedures of the ICSDs to receive payments under the relevant Notes.

In addition, holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the ICSDs and their participants to appoint appropriate proxies or receive a voting certificate.

Calculation Agent

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

3. Risks related to the market generally

Set out below is a brief description of the principal market risks.

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 his Notes

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

Delisting of the Notes

Application has been made for Notes issued under the Programme to be admitted to trading on Euronext Dublin Regulated Market and to be listed on the Official List of Euronext Dublin and Notes issued under the Programme may also be admitted to trading, listing and/or quotation by any other listing authority, stock exchange or quotation system (each, a "**listing**"), as specified in the applicable Final Terms. Such Notes may subsequently be delisted despite the best efforts of the Issuer to maintain such listing and, although no assurance is made as to the liquidity of the Notes as a result of listing, any delisting of the Notes may have a material effect on a Noteholder's ability to resell the Notes on the secondary market.

Transfers of the Notes may be restricted

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

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes issued under the Programme are legal investments for it, (ii) Notes issued under the Programme can be used as collateral for various types of borrowing and (iii) other restrictions apply to the purchase or pledge of any Notes issued under the Programme. 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.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the sections of the documents incorporated by reference set out in the table below. The following documents which have previously been published and have been filed with Euronext Dublin and the Central Bank, shall be incorporated by reference in, and form part of, this Base Prospectus:

(i) the audited consolidated annual financial statements of the Issuer as at and for the year ended 31 December 2023, available at the following link: https://www.atm.it/en/IlGruppo/ChiSiamo/Documents/Integrated_Annual_Report_ATM_2023.pdf (the "**2023 Audited Consolidated Annual Financial Statements**"); and

(ii) the audited consolidated annual financial statements of the Issuer as at and for the year ended 31 December 2022, available at the following link: https://www.atm.it/en/IlGruppo/ChiSiamo/Documents/Integrated_Annual_Report_ATM_2022.pdf ,

in each case together with the accompanying notes and external auditors' reports, which are available to the public and incorporated by reference herein.

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the Central Bank in accordance with Article 23 of the EU Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

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 may affect 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.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus, and any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Any websites, save for those listed as documents incorporated by reference above, included in the Base Prospectus are for information purposes only and do not form part of the Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus. Other than the information incorporated by reference, the content of these websites has not been scrutinised or approved by the competent authority.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the registered office of the Issuer and from the specified office of the Agent.

Cross-reference list

The following table shows where the information incorporated by reference in this Base Prospectus can be found in the above-mentioned documents.

Consolidated annual financial statements of the Issuer as at and for the year ended 31 December 2023

Consolidated annual financial statements of the Issuer as at and for the year ended 31 December 2022

OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

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:

(i) 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

(ii) 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 or not 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 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 either for (i) interests in a Permanent Global Note of the same Series or (ii) definitive Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms), in each case 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 or for definitive Notes 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 either (a) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to

the Agent as described therein or (b) only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default (as defined in Condition 10 (*Events of Default*)) has occurred and is continuing, or (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 is available. The Issuer will promptly give notice to Noteholders in accordance with Condition 16 (*Notices*) 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) may give notice to the 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 Agent.

The following legend will appear on all Permanent Global Notes and definitive Notes which have an original maturity of more than one year and on all interest coupons relating to such Notes:

"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 such 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 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 an ISIN and, if applicable, a CFI and a FISN, which are different from the common code and ISIN and, if applicable, CFI and FISN, 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.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 10 (*Events of Default*). In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then from 8.00 p.m. (London time) on such day holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the "**Deed of Covenant**") dated 10 May 2024 and executed by the Issuer.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event, a supplement to the Base Prospectus, a new Base

Prospectus or a drawdown prospectus, in the case of listed Notes only, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

FORM OF 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 (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129, as amended. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.][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**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, "**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][EU PRIIPs Regulation] 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]

[**EU MIFID II product governance** – 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, "**EU MiFID II**")][EU MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

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[1] Legend to be included if the Notes potentially constitute "packaged" products and no key information document is prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the legend should be included.

[2] Legend to be included if the Notes potentially constitute "packaged" products and no key information document or the Issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the legend should be included.

[**UK MIFIR product governance** – 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 (as amended, "**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][EUWA] ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any [distributor][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 (as amended, 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.][3]

[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (AS AMENDED, 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 capital markets products other than: (a) prescribed capital markets products (as defined in the CMP Regulations 2018) and (b) Excluded Investment Products (as defined in the Monetary Authority of Singapore (the **MAS**) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).][4]

[*Date*]

Azienda Trasporti Milanesi S.p.A.

(incorporated as a company limited by shares under the laws of the Republic of Italy)

Legal entity identifier (LEI): 8156002D5472BDE44822

Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Notes*]
under the €400,000,000
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 10 May 2024 [as supplemented by the supplement[s] to it dated [*date*] [and [*date*]]] which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the EU Prospectus Regulation and must be read in conjunction with the Base Prospectus [as so supplemented][5]. These Final Terms must be read in conjunction with the Base Prospectus [as so supplemented] in order to obtain all the relevant information. The

[3] The reference to the UK MiFIR product governance legend may not be necessary if the Managers in relation to the Notes are also not subject to UK MiFIR and therefore there are no UK MiFIR manufacturers. Depending on the location of the manufacturers, there may be situations where either the EU MiFID II product governance legend or the UK MiFIR product governance legend or both are included.

[4] 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.

[5] Delete where the Notes are not admitted to trading on a regulated market in the EEA for the purposes of the EU Prospectus Regulation.

Base Prospectus [and the supplement[s] to the Base Prospectus] [is/are] available for viewing [at [*website*]] [and] during normal business hours at [*address*] [and copies may be obtained from [*address*]]. The Base Prospectus and, in the case of Notes admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**"), the Final Terms will also be published on the website of Euronext Dublin (www.euronext.com/en/markets/Dublin).

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.*]

1	Issuer:	Azienda Trasporti Milanesi S.p.A.
2	(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 on which exchange of the Temporary Global note for interests in the Permanent Global Note, as referred to in paragraph [21] below, is expected to occur, being on or about [*insert date that is 40 days after the Issue Date*]] / [Not Applicable]
3	Specified Currency or Currencies:	**[●]**
4	Aggregate Nominal Amount:	**[●]**
	(a) Series:	**[●]**
	(b) Tranche:	**[●]**
5	Issue Price:	**[●]** per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
6	(a) Specified Denominations:	**[●]** [[€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].] *(N.B. Notes must have a minimum denomination of €100,000 (or equivalent))*
	(b) Calculation Amount:	**[●]** *(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.)*
7	(a) Issue Date:	**[●]**

	(b) Interest Commencement Date:	[[●]/Issue Date]
8	Maturity Date:	[*Fixed Rate Notes – specify date/Floating Rate Notes* – Interest Payment Date falling in or nearest to [*specify month and year*]]
9	Interest Basis:	[[●] per cent. Fixed Rate] [[●] month EURIBOR] +/- [●] per cent. Floating Rate] (further particulars specified below under item[s] [13/14])
10	Change of Interest Basis:	[For the period from (and including) the Interest Commencement Date, up to (but excluding) [*date*] paragraph [14/15] applies and for the period from (and including) [*date*], up to (and including) the Maturity Date, paragraph [14/15] applies]/ [Not Applicable]
11	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100 per cent.]/[[●] per cent. of their nominal amount]
12	Put/Call Options:	[Put Event] [Issuer Maturity Par Call] [Clean-Up Call] [(further particulars specified below under item[s] [16/17/18])] [Not Applicable]
13	[Date of [Board] [and] [Shareholders' Meeting] approval for issuance of Notes obtained:	[●] / [Not Applicable] *(N.B. Only relevant where Board and/or Shareholders' Meeting (or similar) authorisation is required for the particular Tranche of Notes)*

PROVISIONS RELATING TO INTEREST PAYABLE

14	Fixed Rate Note Provisions	[Applicable/Not Applicable] (*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):	[●] [and [●]] in each year, commencing on [●], up to and including the Maturity Date [There will be a [long/short] [first/last] coupon in respect of the period from and including [●] to but excluding [●]]
	(c) Fixed Coupon Amount(s): (*Applicable to Notes in definitive form.*)	[●] per Calculation Amount
	(d) Broken Amount(s): (*Applicable to Notes in definitive form.*)	[[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●] in respect of the period

		from and including [●] to but excluding [●]] [Not Applicable]
	(e) Day Count Fraction:	[30/360] [Actual/Actual (ICMA)]
	(f) Determination Date(s):	[[●] in each year] / [Not Applicable] *(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.* *N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration* *N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))*
15	Floating Rate Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(a) Specified Period(s)/Specified Interest Payment Dates:	[●] / [[●] [and [●]] in each year, commencing on [●], up to and including [●], subject in each case to adjustment in accordance with the Business Day Convention specified in paragraph [15(b)] below, not subject to any adjustment as the Business Day Convention in paragraph [15(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):	[●] / [Not Applicable]
	(d) Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination]
	(e) Party responsible for calculating the Rate of Interest and Interest Amount:	[[●] (the "**Calculation Agent**")]
	(f) Screen Rate Determination:	[Applicable/Not Applicable] (*If not applicable, delete the remaining items of this subparagraph*)
	(i) Reference Rate:	[[●] month EURIBOR]
	(ii) Interest Determination Date(s):	[Second day on which the T2 is open for the settlement of payments in euro prior to the start of each Interest Period]

(iii) Relevant Screen Page: [Reuters EURIBOR01] / [●]

(*if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)

(g) ISDA Determination: [Applicable/Not Applicable]

(If not applicable, delete the remaining items of this subparagraph)

(i) Floating Rate Option: [●]

(ii) Designated Maturity: [●]

(iii) Reset Date: [The first day of the Interest Period]

(h) Linear Interpolation: [Not Applicable] / [Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]

(i) Margin(s): [+/-] [●] per cent. per annum

(j) Minimum Rate of Interest: [[●] per cent. per annum] [Not Applicable]

(k) Maximum Rate of Interest: [[●] per cent. per annum] [Not Applicable]

(l) 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)]

(*See [Condition 6 (Interest)] for alternatives*)

PROVISIONS RELATING TO REDEMPTION

16 Put Event: [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

17 Clean-Up Call: [Applicable/Not Applicable]

(*If not applicable, delete the remaining subparagraphs of this paragraph*)

(a) [Clean-Up Call Threshold:] [[●][*specify percentage*]]

	(b) [Notice periods (if other than as set out in the Conditions):]	[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*)
18	Issuer Maturity Par Call:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph)*
	[Notice periods (if other than as set out in the Conditions):]	[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*)
19	Final Redemption Amount:	[●] per Calculation Amount
20	Early Redemption Amount payable on redemption for taxation reasons or on event of default:	[●] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21	Form of Notes:	
	(a) Form:	[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]] [Temporary Global Note exchangeable for definitive Notes on and after the Exchange Date] [Permanent Global Note exchangeable for definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]] *(Ensure that this is consistent with the wording in the " Overview of Provisions Relating to the Notes while in Global Form" section in the Base Prospectus and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph [6] includes language substantially to the*

		following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not per-mitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for definitive Notes.)
	(b) New Global Note:	[Yes][No]
22	Additional Financial Centre(s):	[Not Applicable/*give details*] (*Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraph [15(c)] relates*)
23	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]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[●] has been extracted from [●]. 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 [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of
Azienda Trasporti Milanesi S.p.A.

By:

Duly authorised

PART B
OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

(a) 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 [[●] / [Euronext Dublin's regulated market]] [and listing on the Official List of [[●] / Euronext Dublin] 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 [[●] / [Euronext Dublin's regulated market]] [and listing on the Official List of [[●] / Euronext Dublin] with effect from [●].] / [Not Applicable] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading*.)
(b) Estimate of total expenses related to admission to trading:	[●] / [Not Applicable]

2 RATINGS

Ratings:	[The Notes to be issued [[have been]/[have not been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]: [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*]. *(Include brief explanation of rating if available)* [[*Insert credit rating agency*] is established in the European Union and is registered under Regulation (EC) No 1060/2009 (the "**EU CRA Regulation**").] [[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009 (the "**EU CRA Regulation**").] [[*Insert credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009 (the "**EU CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.] [[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009 (the "**EU CRA Regulation**") but the rating issued by it is endorsed by [*insert endorsing credit rating agency*] which is established in the European Union and [is registered under the EU CRA Regulation] [has applied for

registration under the EU CRA Regulation, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority].]

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009 (the "**EU CRA Regulation**") but is certified in accordance with the EU CRA Regulation.]

[[*Insert Credit Rating Agency*] is not established in the European Union and is not certified under Regulation (EC) No. 1060/2009 (the "**EU CRA Regulation**") and the rating given by it is not endorsed by a Credit Rating Agency established in the European Union and registered under the EU CRA Regulation.]

[[*Insert legal name of particular credit rating agency entity providing rating*] is established in the [United Kingdom]/[*insert*] and is [registered with the Financial Conduct Authority in accordance with] / [the rating it has given to the Notes is endorsed by [*UK-based credit rating agency*] registered with the FCA in accordance with] / [certified under] [Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**")]]][6]

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the 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 Dealers and their affiliates (including parent companies) have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates 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 EU Prospectus Regulation.)*]

4 USE OF PROCEEDS AND ESTIMATED NET PROCEEDS

(a) Use of proceeds: [[General corporate purposes] / [To [finance/refinance] Eligible Green Projects] / [●]]

(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from what is disclosed in the Base Prospectus, give details)

(b) Estimated net proceeds: [●]

[6] Insert the relevant clause for Notes which are admitted to trading on the UK regulated market and which have been assigned a rating.

5 **YIELD** (*Fixed Rate Notes only*)

Indication of yield:	[[●] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.] / [Not Applicable]

6 **HISTORIC INTEREST RATE** *(Floating Rate Notes only)*

[[Details of historic [EURIBOR] rates can be obtained, [but not] free of charge, from [Reuters]]/[Not Applicable]]

[Benchmarks	Amounts payable under the Notes will be calculated by reference to [EURIBOR] which is provided by [the European Money Markets Institute]. As at [●], [the European Money Markets Institute] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**"). [As far as the Issuer is aware, [the European Money Markets Institute] does not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of that regulation, such that as at [●] [the European Money Markets Institute] is not required to obtain authorisation or registration.]

7 **OPERATIONAL INFORMATION**

(a)	ISIN Code:	[●]
(b)	Common Code:	[●]
(c)	FISN:	[[●], 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]]
(d)	CFI:	[[●], 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]] *(If the CFI and/or FISN is not required, it/they should be specified to be "Not Applicable")*
(e)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
(f)	Delivery:	Delivery [against/free of] payment

(g)	Names and addresses of additional Paying Agent(s) (if any):	[●] / [Not Applicable]
(h)	Deemed delivery of clearing system notices for the purposes of [Condition 16 (*Notices*)]:	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.
(i)	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 satisfaction of the Eurosystem eligibility criteria.] [*include this text if "yes" selected in which case the Notes must be issued in NGN form*] [No: Note that 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.] [*include this text if "no" selected*]

8 DISTRIBUTION

(a)	Method of distribution:	[Syndicated/Non-syndicated]
(b)	If syndicated, names of Managers:	[Not Applicable/*give names*]
(c)	Date of Subscription Agreement:	[●]
(d)	Stabilisation Manager(s) (if any):	[Not Applicable/*give name*]
(e)	If non-syndicated, name of relevant Dealer:	[Not Applicable/*give name*]
(f)	U.S. Selling Restrictions:	[Reg. S Compliance Category 2; TEFRA C / TEFRA D / TEFRA not applicable]
(g)	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 in the EEA, "Applicable" should be specified.)

(h) 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 in the UK, "Applicable" should be specified.*)

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 in relation to any Tranche of Notes will complete the following Terms and Conditions for the purpose of such Notes. 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 "Form of Final Terms" for a description of the content of 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 Azienda Trasporti Milanesi S.p.A. (the "**Issuer**") pursuant to the Agency Agreement (as defined below).

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 (as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated 10 May 2024 and made between the Issuer, BNP Paribas, Luxembourg Branch as issuing and principal paying agent and agent bank (the "**Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Any reference to "**Calculation Agent**" in relation to any Notes shall mean the entity specified as such in the applicable Final Terms.

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.

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.

Any reference to "**Noteholders**" or "**holders**" in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

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 are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates,

issue prices, the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant (amended and/or supplemented and/or restated from time to time, the "**Deed of Covenant**") dated 10 May 2024 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement and the Deed of Covenant (i) are available for inspection during normal business hours at the specified office of each of the Paying Agents or (ii) may be provided by email to a Noteholder following their prior written request to any Paying Agent and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent). If the Notes are to be admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**"), the applicable Final Terms will be published on the website of Central Bank of Ireland and Euronext Dublin. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant 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 Agency Agreement.

Words and expressions defined in 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 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. Definitions and Interpretation

1.1 Definitions

In these Conditions:

"**Accounting Principles**" means International Financial Reporting Standards, as adopted by the European Union;

"**Acquired Debt Transaction**" means any transaction entered into after the Issue Date of the relevant Tranche of Notes by which:

(i) any asset or undertaking over which a Security Interest subsists is transferred, sold, contributed or assigned to or otherwise vested in the Issuer or a Subsidiary; or

(ii) any Person that is liable for Indebtedness and/or is subject to a Security Interest (as the case may be) becomes a Subsidiary of the Issuer or is merged into the Issuer or any of its Subsidiaries,

in both cases, where such Indebtedness and/or Security Interest already exists at the time when such transaction is entered into;

"**acting in concert**" means, in relation to two or more Persons, any event or circumstances whereby, pursuant to an agreement, arrangement or understanding (whether formal or informal), such Persons co-operate, through the acquisition or holding of voting rights exercisable at a shareholders' or equivalent meeting of the Issuer by any of them, either directly or indirectly, for the purposes of obtaining or consolidating control of the Issuer;

"**Affiliate**" means, at any time, and with respect to any Person (the "**first Person**"), any other Person that at such time directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, the first Person;

"**Attributable Debt**" means, in connection with any sale and leaseback transaction, the product of:

(i) the net proceeds from that transaction; and

(ii) a fraction, the numerator of which is the number of days of the term of the lease relating to the asset involved in such transaction (without regard to any option to renew or extend such term) remaining at the date of the making of such calculation and the denominator of which is the number of days of the term of such lease measured from the first day of such term;

"**Base Prospectus**" means the base prospectus of the Issuer dated 10 May 2024;

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

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and

(b) 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 or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the T2 is open for the settlement of payments in euro;

"**Calculation Amount**" means the calculation amount specified in the applicable Final Terms;

"**Certification Date**" means a date falling not later than 60 days after the approval by the Issuer's Board of Directors (or equivalent body) of the relevant consolidated financial statements and, in any event, no later than six months after the end of the Financial Period;

a "**Change of Business**" means any substantial change to the general nature of the business of the Issuer from that carried on by the Issuer as at the Issue Date of the relevant Tranche of Notes;

a "**Change of Control**" means any event or circumstance in which any Person or Persons acting in concert (in each case, other than one or more Permitted Holders, whether or not acting in concert), together with any of their Affiliates, has or gains control of the Issuer;

"**Compliance Certificate**" means a certificate of the Issuer duly signed by a director or the Chief Financial Officer of the Issuer, substantially in the form annexed to the Agency Agreement, confirming, so long as any Note remains outstanding:

(i) as far as the Issuer is aware, the number of shares held by Permitted Holders and the percentage of the Issuer's share capital (excluding treasury shares) represented by such shares as at the Certification Date;

(ii) which of the Subsidiaries of the Issuer are Material Subsidiaries as at the Certification Date;

(iii) that, as at the Certification Date, no Change of Business has occurred and, as far as the Issuer is aware, no Change of Control or Service Contract Event has occurred;

(iv) either:

(A) that its audited consolidated financial statements have been prepared using accounting policies, practices and procedures consistent with those applied in the preparation of its immediately preceding annual consolidated financial statements; or

(B) that the Issuer has made available to Noteholders all such descriptions and information as are required pursuant to Condition 5.3 (*Preparation of financial statements*); and

(v) that, as at the Certification Date, it is in compliance with the covenants contained in Condition 5.1 (*Limitations on Indebtedness*);

"**control**" means, in respect of a Person which is a company or a corporation, the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(1) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a shareholders' or equivalent meeting of such Person; or

(2) appoint or remove all or a majority of the members of the Board of Directors (or other equivalent body) of such Person,

and the expressions "**controlling**", "**controlled**" and "**controlled by**" shall be construed accordingly;

"**Decree No. 239**" means Italian Legislative Decree No. 239 of 1 April 1996 and related implementing regulations, as amended, supplemented or re-enacted from time to time;

"**Extraordinary Resolution**" has the meaning given to it in the Agency Agreement;

"**Finance Lease**" means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a finance or capital lease (*leasing finanziario*);

"**Financial Period**" means each period of 12 months ending on the Indebtedness Determination Date, the first such period being the 12-month period ending 31 December of the year on which the first Tranche of Notes is issued under the Programme;

"**Fitch**" means Fitch Ratings Ireland Limited and any of its Affiliates or successors carrying on the business of assigning credit ratings to persons in Italy;

"**Group**" means the Issuer and its Subsidiaries (taken as a whole);

"**Group Indebtedness**" means the Indebtedness of the Group, as shown in, or determined by reference to, the Group's latest audited consolidated annual financial statements;

"**Indebtedness**" means, avoiding double counting, any present or future indebtedness (other than Project Finance Indebtedness) of any Person for money borrowed or raised (excluding any present or future indebtedness under any form of borrowed money between the Issuer or a member of the Group, and another member of the Group), whether or not contingent, including (without limitation) any indebtedness for or in respect of:

(i) any acceptance under any acceptance credit facility;

(ii) any note purchase facility;

(iii) any Finance Lease;

(iv) any Attributable Debt in respect of sale and leaseback transactions;

(v) any other transaction (including, without limitation, any forward sale or purchase agreement) having substantially the same commercial effect of a borrowing; and

(vi) for the purposes of Condition 5 (*Covenants*) only and without double counting, any guarantee, indemnity and/or counter-indemnity in respect of any of the items referred to in (i) to (v) above;

"**Indebtedness Determination Date**" means the last day of the Issuer's financial year;

"**Intermediate Holding Company**" means a Subsidiary of the Issuer which itself has Subsidiaries;

"**Investment Grade Rating**" means any credit rating assigned by a Rating Agency which is, or is equivalent to, with respect to S&P and Fitch, from and including AAA to and including BBB-, or, in each case, any equivalent successor categories;

"**Issue Date**" means the issue date specified in the applicable Final Terms;

"**Material Subsidiary**" means, at any time, any Subsidiary of the Issuer which (consolidated with its own Subsidiaries, if any) accounts for (i) 10 per cent. or more of the Group's consolidated total revenues, and (ii) 5 per cent. or more of the Group's consolidated total assets and, for these purposes:

(i) the Group's consolidated total revenues or total assets will be determined by reference to its then latest audited consolidated annual financial statements (the "**Relevant Consolidated Financial Statements**"); and

(ii) the total revenues or total assets of each Subsidiary will be determined by reference to the annual financial statements (whether or not audited) of such Subsidiary and those of its own Subsidiaries (if any), in each case upon which the relevant consolidated financial statements of the Issuer have been based,

provided that: (A) if a Person has become a Subsidiary of the Issuer after the date on which the Relevant Consolidated Financial Statements have been prepared, the total revenues or total assets of that Subsidiary will be determined by reference to its latest annual financial statements (whether or not audited) and will be consolidated if that Subsidiary itself has Subsidiaries; (B) the Relevant Consolidated Financial Statements and the corresponding financial statements of each relevant Subsidiary will be adjusted (where appropriate) to reflect fairly the total revenues or total assets of, or represented by, any Person, business or assets subsequently acquired or disposed of; and (C) where an Intermediate Holding Company has one or more Subsidiaries at least one of which, under this definition, is a Material Subsidiary, then such Intermediate Holding Company will be deemed to be a Material Subsidiary;

"**Permitted Holders**" means each of:

(i) the City of Milan (*Comune di Milano*);

(ii) any other municipality, metropolitan area, province or region, or any other entity or entities, including Local Public Transport Agencies (*Agenzie per il trasporto pubblico locale*), which at any time, under Italian laws and regulations, are responsible for the government of the Service Contract Territory or any political sub-division thereof; and

(iii) any Person directly or indirectly controlled by any of the foregoing;

"**Permitted Indebtedness**" means any Indebtedness of Subsidiaries of the Issuer, the aggregate principal amount of which does not exceed 10 per cent. of Group Indebtedness;

"**Permitted Reorganisation**" means any reorganisation, amalgamation, merger, demerger, consolidation, contribution in kind or restructuring or other similar transaction, in each case whilst solvent:

(i) on terms previously approved by an Extraordinary Resolution of Noteholders; or

(ii) involving the Issuer, whilst solvent, whereby, upon completion of the transaction, to the extent that the Issuer is not a surviving entity, the resulting company or entity (the "**relevant entity**"), whether by operation of law under the doctrine of universal succession or otherwise, (a) assumes the obligations of the Issuer in respect of the relevant Tranche of Notes and the Coupons; (b) carries on, as a successor to the Issuer, the whole or substantially the whole of the business carried on by the Issuer immediately prior thereto; and (c) beneficially owns the whole or substantially the whole of the undertaking, property and/or assets owned by the Issuer immediately prior thereto, *provided that* the following conditions are satisfied:

(A) the relevant entity enters into a supplemental agency agreement and such other documents (if any) as are necessary to give effect to the substitution of the relevant entity for the Issuer as principal debtor under the Notes (all such documents, the "**relevant documents**");

(B) the relevant entity obtains opinions addressed to it from legal advisers of recognised international standing as to matters of English law and the law of the jurisdiction of the relevant entity, in each case in a form consistent with the standards of Eurobond transactions, confirming that (1) the Notes represent legal, valid, binding and enforceable obligations of the relevant entity, (2) the relevant documents (if any) represent legal, valid, binding and enforceable obligations of the relevant entity and (3) all actions, conditions and things required to be taken, fulfilled and done to ensure that such is the case (including any necessary approvals, consents, filings and/or registrations) have been taken, fulfilled and done, and such opinions are made available to Noteholders at the specified office of the Agent; and

(C) upon completion of such transaction, no Rating Event occurs or has occurred,

and, following satisfaction of the above conditions, all references to the "Issuer" in these Conditions shall be read as references to the relevant entity;

(iii) involving a Subsidiary, whereby the assets and undertaking of such Subsidiary are transferred, sold, contributed, assigned or otherwise vested in the Issuer and/or one or more Subsidiaries of the Issuer, *provided that*, upon completion of such transaction, no Rating Event occurs or has occurred;

"**Permitted Security Interest**" means:

(i) any Security Interest arising by operation of law in the ordinary course of business of the Issuer or a Material Subsidiary and not as a result of any default or omission by the Issuer or that Material Subsidiary;

(ii) any Security Interest securing Project Finance Indebtedness;

(iii) any Security Interest to which the assets or undertaking of the Issuer or any of its Material Subsidiaries are subject as a result of an Acquired Debt Transaction, *provided that*:

(A) such Security Interest was not created in connection with or in contemplation of such Acquired Debt Transaction; and

(B) the aggregate principal amount of Indebtedness secured by such Security Interest is not increased and no additional assets become subject to such Security Interest, either in connection with or in contemplation of the Acquired Debt Transaction or at any time thereafter;

(iv) any Security Interest (a "**New Security Interest**") created in substitution for any existing Permitted Security Interest (an "**Existing Security Interest**"), *provided that*:

(A) the principal amount of Indebtedness secured by the New Security Interest does not at any time exceed the principal amount of Indebtedness secured by the Existing Security Interest; and

(B) other than by reason of general market trends beyond the control of the Issuer, the value of the assets over which the New Security Interest subsists does not at any time exceed the value of the assets over which the Existing Security Interest subsisted; or

(v) any Security Interest existing as at the date of this Base Prospectus; or

(vi) any Security Interest not falling within paragraphs (i) to (v) above, *provided that* the aggregate principal amount of Indebtedness secured by such Security Interest does not exceed an amount equal to 7.5 per cent. of Shareholders' Equity;

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

"**Project Finance Indebtedness**" means any Indebtedness incurred by a Person (the "**relevant debtor**") under a project finance transaction (including the issuance of project bonds pursuant to Italian Legislative Decree No. 36 of 31 March 2023) to finance or refinance, in whole or in part, the ownership, acquisition, construction, development, design, leasing, maintenance and/or operation of any asset (the "**Project**"), whereby the creditors in respect of such Indebtedness (the "**relevant creditors**") have no recourse whatsoever to any member of the Group for the repayment thereof other than:

(i) recourse for amounts limited to the cash flow or the net cash flow or the income or other proceeds deriving from the Project; and/or

(ii) recourse for the purpose only of enabling amounts to be claimed in respect of such Indebtedness in an enforcement of any Security Interest given by the relevant debtor over such asset or the income, cash flow or other proceeds deriving from them (or given by any shareholder or the like, including any member of the Group, of the relevant debtor over (a) its shares or the like in the capital of, or (b) the shareholder loans to, the relevant debtor) to secure such Indebtedness,

provided that: (A) the extent of such recourse is limited solely to the amount of any recoveries made on any such enforcement; (B) the relevant creditors are not entitled, by virtue of any right or claim arising out of or in connection with such Indebtedness, to commence proceedings of whatever nature against any member of the Group; and (C) an equity or quasi equity contribution or obligation in, or shareholder loan, or other credit support customarily provided in support of such Indebtedness to, the borrower by the Issuer or Material Subsidiary, according to the then project finance market standard, shall not be deemed as a "recourse" to the relevant member of the Group;

a "**Put Event**" shall be deemed to have occurred if:

(i) a Change of Control occurs; or

(ii) a Service Contract Event occurs; or

(iii) a Change of Business occurs,

and, in each case, a Rating Event (if applicable) occurs or has occurred;

"**Put Event Notice**" means a notice from the Issuer to Noteholders describing the relevant Put Event and indicating the start and end dates of the relevant Put Event Notice Period and the Put Option Redemption Date;

"**Put Event Notice Period**" means, in respect of any Put Event, a period of 30 Business Days following the date on which the relevant Put Event Notice is given to the Noteholders in accordance with Condition 16 (*Notices*);

"**Put Option Notice**" means a notice from a Noteholder to the Issuer in a form obtainable from any Paying Agent and substantially in the form annexed to the Agency Agreement, stating that such Noteholder requires early redemption of all or some of its Notes pursuant to Condition 8.5 (*Redemption at the option of Noteholders*);

"**Put Option Receipt**" means a receipt issued by a Paying Agent to a Noteholder depositing a Put Option Notice, substantially in the form annexed to the Agency Agreement;

"**Put Option Redemption Date**" means, in respect of any Put Event, the date specified in the relevant Put Event Notice by the Issuer, being a date not earlier than five nor later than 20 Business Days after expiry of the Put Event Notice Period;

"**Rate of Interest**" means the rate of interest specified in the applicable Final Terms;

"**Rating Agency**" means S&P or Fitch (or any of their successors carrying on the business of assigning credit ratings to persons in Italy);

a "**Rating Event**" will be deemed to have occurred in connection with a Relevant Event if, at the beginning of the Rating Event Period, the Notes carry from any Rating Agency either:

(i) an Investment Grade Rating and:

  (A) during the Rating Event Period, such rating is either downgraded by the relevant Rating Agency below an Investment Grade Rating or withdrawn; and

  (B) subsequently, but in any event within the Rating Event Period, such rating is not (in the case of a downgrade) upgraded to an Investment Grade Rating by such Rating Agency or (in the case of a withdrawal) replaced by an Investment Grade Rating from any other Rating Agency;

(ii) a credit rating assigned by a Rating Agency that is not an Investment Grade Rating and:

  (A) during the Rating Event Period, such rating is downgraded by one or more notches (for illustration, Ba1 to Ba2 being one notch); and

  (B) subsequently, but in any event within the Rating Event Period, such rating is not upgraded to its earlier credit rating or better by such Rating Agency; or

(iii) no credit rating assigned by a Rating Agency and, during the Rating Event Period, no Rating Agency assigns an Investment Grade Rating to the Notes,

and, in the case of (i) and (ii) above, in making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to the Issuer that such decision(s) resulted, in whole or in part, from the occurrence of the Relevant Event;

"**Rating Event Period**" means, in relation to any Relevant Event, the period between:

(i) the occurrence of that Relevant Event or, if earlier, the first public announcement of that Relevant Event to be made either (A) by, or with the consent of, the Issuer or (B) in accordance with any legal obligation; and

(ii) either:

(A) where the Notes carry a credit rating assigned by a Rating Agency, 180 days after the occurrence of the Relevant Event; or

(B) where the Notes carry no credit rating assigned by a Rating Agency, 90 days after the occurrence of the Relevant Event;

"**Relevant Date**" means, in relation to any Note or Coupon or Talon, the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the holders of Notes in accordance with Condition 16 (*Notices*) that, upon further presentation of the Note or Coupon or Talon being made in accordance with the Conditions, such payment will be made, *provided that* payment is in fact made upon such presentation;

"**Relevant Event**" means a Change of Control, a Service Contract Event, a Change of Business or a transaction described under paragraphs (ii) or (iii) of the definition of "Permitted Reorganisation";

"**Relevant Indebtedness**" means any present or future Indebtedness which is in the form of, or represented by, any bond, note, debenture, certificate or other securities (excluding securities evidencing indebtedness arising under banking facilities) and which is, or is capable of being, traded, quoted, listed or dealt in on any stock exchange or any over-the-counter or other securities market;

"**Reserved Matter"** has the meaning given to it in the Agency Agreement and includes any proposal to modify the Terms and Conditions of the Notes falling within the scope of Article 2415, paragraph 1, number 2 of the Italian Civil Code (including any proposal to modify the maturity of the Notes or the dates on which interest is payable on them, to reduce or cancel the principal amount of, or interest on, the Notes, or to change the currency of payment of the Notes);

"**S&P**" means Standard & Poor's Corporation and any of its Affiliates or successors carrying on the business of assigning credit ratings to persons in Italy;

"**Security Interest**" means any mortgage, charge, pledge, lien or other form of security interest including, without limitation, anything substantially analogous to any of the foregoing under the laws of any applicable jurisdiction;

"**Service Contract**" means:

(i) the contract effective as of 1 May 2010 between the City of Milan (*Comune di Milano*) and the Service Contract Operator for the operation in the Service Contract Territory of (a) local public transport services, comprising overground public transport services and Lines 1, 2 and 3 of the Milan Metro (but excluding, for the avoidance of doubt, any national or regional public transport services) as well as (b) related and ancillary services to local public transport (*e.g.* management of fees for parking or access to the so called "Area B" and

"Area C" of the City of Milan and bike-sharing service), as extended or renewed from time to time; or

(ii) where applicable, any service contract, concession or other agreement or arrangement granted to or entered into in place of that contract at any time after the Issue Date for the operation of local public transport services in the Service Contract Territory;

a "**Service Contract Event**" will be deemed to have occurred if at any time the Service Contract is dissolved, terminated prior to its expiry date or revoked, or declared null and void by the competent authority or otherwise ceases to have effect for any reason and for the avoidance of doubt:

(i) any circumstances under which the Service Contract has not been extended or renewed and is awarded to any Person(s) other than the Service Contract Operator or any other member of the Group shall constitute a Service Contract Event, but

(ii) any interim period during which the Service Contract Operator continues to operate the Service Contract between such expiry date and the extension, renewal or new award of the Service Contract shall not constitute a Service Contract Event;

"**Service Contract Operator**" means ATM S.p.A., a company limited by shares incorporated under the laws of Italy and registered at the Companies' Registry of Milan under registration number 97230720159 or any other member of the Group which succeeds or replaces it as operator of the services provided under the Service Contract;

"**Service Contract Territory**" means the territory served from time to time by the Service Contract Operator under the Service Contract, being as at the Issue Date (i) the City of Milan (*Comune di Milano*) for overground public transport services and (ii) Lines 1, 2 and 3 of the Milan Metro;

"**Shareholders' Equity**" means the total consolidated shareholders' equity of the Issuer, as shown in, or determined by reference to, the Group's latest audited consolidated annual financial statements (including, for the avoidance of doubt, reserves);

"**Subsidiary**" means, in respect of the Issuer at any particular time, any *società controllata*, as defined in Article 2359, first paragraph, numbers 1 and 2 of the Italian Civil Code;

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

1.2 Interpretation

In these Conditions:

(i) "**outstanding**" has the meaning given to it in the Agency Agreement; and

(ii) any reference to the Notes includes (unless the context requires otherwise) any other securities issued pursuant to Condition 15 (*Further Issues*) and forming a single series with the Notes.

2. 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 or a Floating Rate Note, or a combination of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Notes are issued with Coupons attached.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer and any Paying 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 and the Paying 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 and any Paying 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.

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.

3. Status

The Notes and the Coupons will constitute direct, unconditional, unsubordinated and, subject to the provisions of Condition 4 (*Negative Pledge*), unsecured obligations of the Issuer which will at all times rank *pari passu* without any preference among themselves and at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

4. Negative Pledge

So long as any Notes or Coupons remains outstanding, the Issuer shall not, and shall procure that none of its Material Subsidiaries will, create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure (i) any Relevant Indebtedness or (ii) any guarantee and/or indemnity in relation to any Relevant Indebtedness, without (a) at the same time or prior thereto securing the Notes and the Coupons equally and rateably therewith, or (b) providing such other security for the Notes and the Coupons as may be approved by an Extraordinary Resolution of Noteholders.

5. Covenants

5.1 Limitations on Indebtedness

So long as any Notes or Coupons remains outstanding, the Issuer shall procure that none of its Subsidiaries will:

(i) create, incur, issue or assume any Indebtedness; or

(ii) otherwise become directly or indirectly liable, contingently or otherwise, with respect to any Indebtedness,

other than Permitted Indebtedness.

5.2 Certification and delivery of information

So long as any Notes or Coupons remains outstanding, the Issuer shall, on each Certification Date, make available for inspection free of charge by any Noteholder or Couponholder at its own registered office and at all reasonable times during normal business hours at the specified office of each Paying Agent:

(i) a Compliance Certificate;

(ii) the Group's audited consolidated annual financial statements with an English translation (for the first time in respect of the 12-month period ending 31 December of the year on which the first Tranche of Notes is issued under the Programme); and

(iii) where applicable, such description and other information referred to in Condition 5.3 (*Preparation of financial statements*) as may be necessary.

5.3 Preparation of financial statements

The Issuer shall ensure that each set of financial statements delivered pursuant to Condition 5.2 (*Certification and delivery of information*) is:

(i) audited by independent auditors; and

(ii) prepared using accounting policies, practices and procedures consistent with those applied in the preparation of the immediately preceding annual consolidated financial statements of the Group unless that set of financial statements includes, or the Issuer otherwise makes available to Noteholders and Couponholders in the manner described in Condition 5.2 (*Certification and delivery of information*)]:

(A) a description of any changes in accounting policies, practices and procedures; and

(B) sufficient information to make an accurate comparison between such financial statements and the previous financial statements.

5.4 Maintenance of rating

For so long as any Notes remain outstanding, and such Series of Notes carry a rating from any Rating Agency, the Issuer shall at all times:

(i) use its best endeavours to maintain a credit rating from at least one Rating Agency for the Notes; and

(ii) co-operate with each relevant Rating Agency in connection with any reasonable request for information in respect of the maintenance of such rating(s) and with any review of its business which may be undertaken by any such Rating Agencies.

6. Interest

6.1 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, subject as provided in Condition 7 (*Payments*).

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 these Conditions:

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest, in accordance with this Condition 6.1 (*Interest on Fixed Rate Notes*):

(a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

(i) 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

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

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

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

(b) 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.

"**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);

"**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, 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 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; 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.

6.2 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 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.

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 6.2 (a)(ii) (*Interest – Interest on Floating Rate Notes – Interest Payment Dates*) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (2) below shall apply *mutatis mutandis* or (ii) 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 (1) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (2) 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.

(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 in the applicable Final Terms.

(i) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Definitions**") and under which:

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

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

(C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

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*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

i. the offered quotation; or

ii. 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, as specified in the applicable Final Terms) 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 the Specified 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 Calculation 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 Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of i. above, no offered quotation appears or, in the case of ii. above, fewer than three offered quotations appear, in each case as at the Specified Time, the Calculation Agent shall promptly inform the Issuer of any such circumstances. The Issuer, or a third party/independent advisor appointed by the Issuer, shall then request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone inter-bank market (as the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the Euro-zone inter-bank market (as the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be 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).

For the purposes of these Conditions:

"**EURIBOR**" means the Euro-zone inter-bank offered rate;

"**Interest Determination Date**" has the meaning specified in the applicable Final Terms;

"**Reference Banks**" means the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Issuer, or by a third party/independent advisor appointed by the Issuer; and

"**Specified Time**" means 11.00 a.m. (Brussels time).

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

(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 Calculation 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 Calculation 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 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 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 6.2 (*Interest on Floating Rate Notes*):

(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 is 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**

If the applicable Final Terms specifies Linear Interpolation as being applicable in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified hereon as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified hereon as applicable), one of which shall be determined as if the Applicable 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 Applicable 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 the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate and, (b) in relation to ISDA Determination, the Designated Maturity.

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

The Calculation 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 and any

stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 16 (*Notices*) 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 by the Calculation Agent 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 16 (*Notices*). 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 6.2 (*Interest on Floating Rate Notes*), whether by the Agent, or if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.3 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 until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*).

6.4 Benchmark discontinuation

(a) **Independent Adviser**

Notwithstanding the provisions above, if a Benchmark Event occurs in relation to an Original Reference Rate (in relation to Floating Rate Notes) when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall notify the Calculation Agent and Noteholders of the occurrence of such Benchmark Event and use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 6.4(b) (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 6.4(d) (*Benchmark Amendments*)) shall apply.

In making such determination, the Independent Adviser appointed pursuant to this Condition 6.4 (*Benchmark discontinuation*) shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of fraud and gross negligence, the Independent Adviser shall have no liability whatsoever to the Issuer, the

Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 6.4 (*Benchmark discontinuation*).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to (x) determine a Successor Rate or, failing which, an Alternative Rate and any related Benchmark Amendments in accordance with this Condition 6.4(a) (*Independent Adviser*) and (y) notify the Calculation Agent of such determinations prior to the date that 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 Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Payment Date but ending on (and excluding) the Interest Commencement Date. 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 paragraph 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, the first paragraph of this Condition 6.4(a) (*Independent Adviser*).

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

If the Independent Adviser determines that:

(i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the 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 6.4 (*Benchmark discontinuation*)); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the 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 6.4 (*Benchmark discontinuation*)).

(c) **Adjustment Spread**

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(d) **Benchmark Amendments**

Notwithstanding the provisions of Condition 14.3 (*Modification*), if any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 6.4 (*Benchmark discontinuation*) and the Independent Adviser determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice

thereof in accordance with Condition 6.4(e) (*Notices*), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice. Subject to receipt of the notice given in accordance with Condition 6.4(e) (*Notices*), the Agent or, if applicable, the Calculation Agent and the Paying Agents shall, without liability to the Noteholders or any other person, be obliged to concur with the Issuer in effecting any of the Benchmark Amendments with effect from the date specified in the notice referred to in Condition 6.4(e) (*Notices*) below.

For the avoidance of doubt, for the period that the Agent or, if applicable, the Calculation Agent remains uncertain of the application of the Successor Rate, Alternative Rate and/or Adjustment Spread in the calculation or determination of any Rate of Interest (or any component part thereof), the Original Reference Rate and the fallback provisions provided for in this Condition 6.4 (*Benchmark discontinuation*) and the Agency Agreement will continue to apply.

None of the Paying Agents or the Calculation Agent shall be responsible or liable for any action or inaction of the Independent Adviser or in respect of the determination of any Successor Rate or Alternative Rate or any Adjustment Spread or Benchmark Amendments.

In connection with any such variation in accordance with this Condition 6.4(d) (*Benchmark Amendments*), 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.

(e) **Notices etc.**

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 6.4 (*Benchmark discontinuation*) will be notified promptly by the Issuer to the Agent, or if applicable, Calculation Agent, the Paying Agents and, in accordance with Condition 16 (*Notices*), the Noteholders. Such notice shall be irrevocable and binding and shall specify the effective date of the Benchmark Amendments, if any.

Notwithstanding any other provision of this Condition 6.4 (*Benchmark discontinuation*), if, in the Agent or the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 6.4 (*Benchmark discontinuation*), the Agent or the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Agent or the Calculation Agent in writing as to which alternative course of action to adopt. If the Agent or the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Agent or the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

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

Without prejudice to the obligations of the Issuer under Condition 6.4 (a) (*Independent Adviser*), (b) (*Successor Rate or Alternative Rate*), (c) (*Adjustment Spread*) and (d) (*Benchmark Amendments*), the Original Reference Rate and the fallback provisions provided for in Condition 6.2(b) (*Interest on Floating Rate Notes - Rate of Interest*) will continue to apply unless and until a Benchmark Event has occurred.

(g) **Definitions**

As used in this Condition 6.4 (*Benchmark discontinuation*):

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case, that 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 is notified by the Issuer to the Calculation Agent as being:

(i) 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;

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

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

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 6.4(b) (*Successor Rate or Alternative Rate*) and notifies the Calculation Agent is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes;

"**Benchmark Amendments**" has the meaning given to it in Condition 6.4(d) (*Benchmark Amendments*);

"**Benchmark Event**" means:

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

(ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will, by a specified date on or prior the next Interest Determination Date, 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

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

(iv) a public statement by the administrator or the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, in each case by a specified date on or prior the next Interest Determination Date; or

(v) a public statement by the administrator or the supervisor of the administrator of the Original Reference Rate that, in the view of such administrator or supervisor, such Original Reference Rate is no longer representative of an underlying market or, in any case, should be used for informational purposes only rather than as a benchmark for securities such as the Notes; or

(vi) it has become unlawful for any Paying Agent, the Calculation Agent, or if applicable, the Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate; or

(vii) a public statement by the administrator or the supervisor of the administrator of the Original Reference Rate that means the use of the Original Reference Rate is subject to restrictions or adverse consequences;

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 6.4(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):

(i) 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

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

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

7. Payments

7.1 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, or, at the option of the payee, by a cheque in such Specified Currency drawn on, 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 or, at the option of the payee, by a euro cheque.

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 9 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9 (*Taxation*)) any law implementing an intergovernmental approach thereto (collectively, "**FATCA**").

7.2 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 7.1 (*Method of payment*) above only 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 and its possessions)).

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 ten years after the Relevant Date (as defined in Condition 9 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 11 (*Prescription*)) 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.

7.3 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.

7.4 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, 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.

7.5 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 11 (*Prescription*)) 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) in:

  (i) in the case of Notes in definitive form only, the relevant place of presentation;

  (ii) each Additional Financial Centre specified in the applicable Final Terms; and

(b) 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 T2 is open for the settlement of payments in euro.

7.6 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 9 (*Taxation*);

(b) the Final Redemption Amount of the Notes;

(c) the Early Redemption Amount (if any) of the Notes;

(d) the Optional Redemption Amount (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 9 (*Taxation*).

8. Redemption and Purchase

8.1 Scheduled redemption

Unless previously redeemed, or purchased and cancelled as specified below, each Note will be redeemed 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, subject as provided in Condition 7 (*Payments*).

8.2 Redemption for tax reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (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 30 nor more than 60 days' notice to the Agent and, in accordance with Condition 16 (*Notices*), the Noteholders (which notice shall be irrevocable), if:

(i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction); and

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

provided, however, that no such notice of redemption shall be given (i) earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due and (ii) unless, at the time such notice is given, such change or amendment remains in effect (or due to take effect).

Prior to the publication of any notice of redemption pursuant to this Condition 8.2 (*Redemption for tax reasons*), the Issuer shall deliver to the Agent:

(A) a certificate signed by a duly authorised officer of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

(B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 8.2 (*Redemption for tax reasons*) will be redeemed at the amount specified in the applicable Final Terms or, if no such amount so specified in the applicable Final Terms, at its principal amount (the "**Early Redemption Amount**") together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Upon the expiry of any such notice as is referred to in this Condition 8.2 (*Redemption for tax reasons*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 8.2 (*Redemption for tax reasons*).

8.3 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 15 nor more than 60 days' notice to the Agent and, in accordance with Condition 16 (*Notices*) (or such other notice period as may be specified in the applicable Final Terms), to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) (the "**Par Call Redemption Date**") (redeem the Notes then outstanding in whole, but not in part, (the "**Issuer Maturity Par Call**") at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date at the Final Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued but unpaid to (but excluding) the Par Call Redemption Date.

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

If Clean-Up Call is specified as being applicable in the applicable Final Terms, in the event that the outstanding aggregate principal amount of the Notes is 20 per cent. (or such other percentage as may be specified in the applicable Final Terms) or less of the initial aggregate principal amount of a particular Series of Notes (including any Notes issued pursuant to Condition 15 (*Further Issues*)) (the "**Clean-up Call Threshold**"), the Issuer may, as its option (the "**Clean-Up Call**"), having given not less than 15 nor more than 60 days' notice to the Agent and, in accordance with Condition 16 (*Notices*), to the Noteholders (or such other notice period as may be specified in the applicable Final Terms) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the remaining outstanding Notes in that Series at par together with any interest accrued to but excluding the date set for redemption.

8.5 Redemption at the option of Noteholders

If Put Event is specified as being applicable in the applicable Final Terms, in the event of a Put Event, each Noteholder may, during the Put Event Notice Period, serve a Put Option Notice upon the Issuer (unless prior to the giving of the Put Option Notice the Issuer has given notice of redemption under Condition 8.2 (*Redemption for tax reasons*)). The Issuer will redeem in whole (but not in part) the Notes that are the subject of such Put Option Notice on the Put Option Redemption Date at the amount specified in the applicable Final Terms or, if no such amount so specified in the applicable Final Terms, at their principal amount (the "**Optional Redemption Amount**") together with accrued interest from, and including, the preceding Interest Payment Date (to, but excluding, the Put Option Redemption Date).

Promptly and in any event within 20 Business Days from the Issuer becoming aware of the occurrence of a Put Event, a Put Event Notice shall be given by the Issuer to Noteholders in accordance with Condition 16 (*Notices*). If the Notes are to be admitted to trading on any stock exchange and the rules of such exchange so require, the Issuer shall also notify the relevant stock

exchange promptly of any such Put Event, providing information equivalent to that required to be given in a Put Event Notice under this Condition 8.5 (*Redemption at the option of Noteholders*).

In order to exercise the option contained in this Condition 8.5 (*Redemption at the option of Noteholders*), the holder of a Note must, on any Business Day during the Put Event Notice Period:

(i) if this Note is in definitive form and held outside Euroclear and/or Clearstream, Luxembourg, deposit with any Paying Agent such Note, together with all unmatured Coupons relating thereto and a duly completed Put Option Notice. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt for such Note to the depositing Noteholder;

(ii) if this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, give notice to the Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

No Note, once deposited with a duly completed Put Option Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note in accordance with this Condition 8.5 (*Redemption at the option of Noteholders*), may be withdrawn, *provided, however, that* if, prior to the Put Option Redemption Date, any such Note becomes immediately due and payable or, upon due presentation of any such Note on the Put Option Redemption Date, payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall give notification thereof to the relevant Noteholder in such manner and/or at such address as may have been given by such Noteholder in the relevant Put Option Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note in accordance with this Condition 8.5 (*Redemption at the option of Noteholders*) and, if this Note is in definitive form and held outside Euroclear and/or Clearstream, Luxembourg, shall hold such Note at its specified office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. If this Note is in definitive form and held outside Euroclear and/or Clearstream, Luxembourg, for so long as any such Note is held by a Paying Agent in accordance with this Condition 8.5 (*Redemption at the option of Noteholders*), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

8.6 No other redemption

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 8.1 (*Scheduled Redemption*) to 8.5 (*Redemption at the option of Noteholders*) above.

8.7 Purchase

The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured Coupons and Talons are purchased therewith. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer or any Subsidiary of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 14 (*Meetings of Noteholders; Noteholders' Representative; Modification*).

8.8 Cancellation

All Notes which are (i) purchased by the Issuer or any Subsidiaries of the Issuer and surrendered to any Paying Agent for cancellation or (ii) redeemed, and any unmatured Coupons and Talons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

9. Taxation

9.1 Gross-up

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(i) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the Republic of Italy other than the mere holding of the Note or Coupon; or

(ii) in relation to any payment or deduction of any interest, principal or other proceeds of any Note or Coupon on account of *imposta sostitutiva*, pursuant to Decree No. 239 and in all circumstances in which the procedures set forth in Decree No. 239 in order to benefit from a tax exemption have not been met or complied with, except where such formalities have not been complied with due to the actions or omissions of the Issuer or its agents; or

(iii) by or on behalf of a holder who would have been able to avoid such withholding or deduction by (A) presenting the relevant Note or Coupon to another available Paying Agent in a Member State of the European Union or (B) making a declaration or any other statement, including but not limited to a declaration of residence or non-residence or other similar claim for an exemption; or

(iv) where such withholding or deduction is required pursuant to Italian Law Decree No. 512 of 30 September 1983, converted into Law No. 649 of 25 November 1983 as amended from time to time; or

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

(vi) more than 30 days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes or Coupons by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Sections 1471 through 1474

of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

9.2 Taxing jurisdiction

If the Issuer becomes subject at any time to any taxing jurisdictions other than the Republic of Italy, references in these Conditions to the Republic of Italy shall be construed as references to the Republic of Italy and/or such other jurisdictions.

10. Events of Default

If any of the following events occurs (an "**Event of Default**"):

(a) ***Non-payment****:* the Issuer fails to pay any amount of principal in respect of the Notes within five days from the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within ten days from the due date for payment thereof; or

(b) ***Breach of other obligations****:* the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes and such default remains unremedied for 20 days after written notice thereof, addressed to the Issuer, has been delivered by or on behalf of any Noteholder either to the Issuer or to the specified office of the Agent; or

(c) ***Cross-default of Issuer or Subsidiary****:*

(i) any Indebtedness of the Issuer or any of its Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;

(ii) any Indebtedness of the Issuer or any of its Subsidiaries is (or becomes capable of being) declared to be due and payable prior to its stated maturity by reason of default (however described);

(iii) any Security Interest created or assumed by the Issuer or any of its Subsidiaries to secure Indebtedness is (or becomes capable of being) enforced; or

(iv) the Issuer or any of its Subsidiaries fails to pay when due or (as the case may be) within any originally applicable grace period any amount payable by it under any guarantee and/or indemnity given by it in relation to any Indebtedness,

provided that the amount of Indebtedness referred to in sub-paragraph (i), (ii) and/or (iii) above and/or the amount payable under any guarantee and/or indemnity referred to in sub-paragraph (iv) above individually or in the aggregate exceeds €15,000,000 (or its equivalent in any other currency or currencies); or

(d) ***Unsatisfied judgment****:* one or more judgment(s) or order(s) for the payment of any amount in excess of €15,000,000 (or its equivalent in any other currency or currencies) is rendered against the Issuer or any of its Subsidiaries and continue(s) unsatisfied and unstayed for a period of 14 days after the date(s) thereof or, if later, the date therein specified for payment; or

(e) ***Security enforced****:* a secured party takes possession of, or a receiver, manager or other similar officer is appointed (or application for any such appointment is made and is not dismissed within 60 days) in respect of all or any substantial part of the undertaking, assets and revenues of the Group, or a distress, execution, attachment, sequestration or other process is levied, enforced

upon or put in force against all or any substantial part of the undertaking, assets and revenues of the Group; or

(f) ***Insolvency, etc****:* (i) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (ii) a bankruptcy administrator, liquidator or other similar officer is appointed in respect of the Issuer or any of its Material Subsidiaries or the whole or any substantial part of the undertaking, assets and revenues of the Group (or application for any such appointment is made and is not dismissed within 60 days), (iii) the Issuer or any of its Material Subsidiaries takes any action for a general readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or any class of its creditors, or (iv) the Issuer or any of its Material Subsidiaries declares or proposes a moratorium in respect of any of its Indebtedness or any guarantee and/or indemnity given by it in relation to any Indebtedness;

(g) ***Cessation of business****:* the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or a substantial part of its business, otherwise than (i) arising from a Service Contract Event or (ii) for the purposes of, or pursuant to, a Permitted Reorganisation;

(h) ***Winding up, etc****:* an order is made by any competent court or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries (otherwise than for the purposes of, or pursuant to, a Permitted Reorganisation); or

(i) ***Analogous event****:* any event occurs which under the laws of the Republic of Italy has an analogous effect to any of the events referred to in paragraphs (d) (*Unsatisfied judgment*) to (h) (*Winding up, etc.*) above; or

(j) ***Unlawfulness****:* it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or the Agency Agreement or any such obligations cease or will cease to be legal, valid, binding and enforceable,

then any Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the specified office of the Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Redemption Amount together with accrued interest without further action or formality.

11. Prescription

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

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 11 (*Prescription*) or Condition 7.2 (*Presentation of definitive Notes and Coupons*) or any Talon which would be void pursuant to Condition 7.2 (*Presentation of definitive Notes and Coupons*).

12. Replacement of Notes, Coupons and Talons

If any Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Paying Agent may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

13. Paying Agents

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Paying Agents and their initial specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent and additional or successor paying agents, *provided, however, that* the Issuer shall at all times maintain (a) a fiscal agent and (b) for so long as the Notes are listed on any stock exchange or admitted to trading by any other relevant authority, there will at all times be a paying agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority and (c) a paying agent in a jurisdiction within the European Union other than the Republic of Italy or (if different) the jurisdiction(s) to which the Issuer is subject for the purpose of Condition 9.2 (*Taxing jurisdiction*).

Notice of any change in any of the Paying Agents or in their specified offices shall forthwith be given to the Noteholders.

14. Meetings of Noteholders; Noteholders' Representative; Modification

14.1 Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including, *inter alia*, the modification or abrogation by Extraordinary Resolution of the Notes or of the provisions of the Agency Agreement. Such provisions for convening meetings of Noteholders are subject to compliance with mandatory laws, legislation, rules and regulations of Italy applicable to the Issuer in force from time to time and, where applicable Italian law so requires, the Issuer's By-laws (*statuto*), including any amendment, restatement or re-enactment of such laws, legislation, rules and regulations (or, where applicable, the Issuer's By-laws) taking effect at any time on or after the Issue Date.

Subject to the above, in relation to the convening of meetings, quorums and the majorities required to pass an Extraordinary Resolution at a meeting of Noteholders:

(i) any such meeting may be convened by the board of directors of the Issuer or the Noteholders' Representative (as defined below) at their discretion and, in any event, upon a request in writing by Noteholder(s) holding not less than one-twentieth of the aggregate nominal amount of the Notes for the time being outstanding, in each case in accordance with Article 2415 of the Italian Civil Code, or, in default of such request, by a decision of the competent court in accordance with Article 2367, paragraph 2, of the Italian Civil Code;

(ii) every such meeting shall be held at such time and place as provided pursuant to Article 2363 of the Italian Civil Code and the Issuer's By-laws (*statuto*);

(iii) such a meeting will be validly convened if:

(A) in the case of the initial meeting, there are one or more persons present holding or representing more than one-half of the aggregate principal amount of the Notes for the time being outstanding; or

(B) in the case of any subsequent meeting convened following adjournment for want of quorum, there are one or more persons present holding or representing more than one-third of the aggregate principal amount of the Notes for the time being outstanding,

provided that the Issuer's By-laws (*statuto*) may in each case (to the extent permitted under the applicable laws and regulations of the Republic of Italy) provide for higher quorums;

(iv) the majority required to pass an Extraordinary Resolution at any meeting (including any adjourned meeting) convened to vote on any Extraordinary Resolution will be:

(A) for voting on any matter other than a Reserved Matter:

(1) in the case of the initial meeting, one or more persons holding or representing more than one-half of the aggregate principal amount of the Notes for the time being outstanding; or

(2) in the case of any subsequent meeting convened following adjournment for want of quorum, one or more persons holding or representing at least two-thirds of the aggregate principal amount of the Notes for the time being outstanding represented at the relevant meeting; or

(B) for voting on a Reserved Matter, the higher of:

(1) one or more persons holding or representing at least one-half of the aggregate principal amount of the Notes for the time being outstanding; and

(2) one or more persons holding or representing at least two-thirds of the aggregate principal amount of the Notes for the time being outstanding represented at the relevant meeting,

provided that the Issuer's By-laws (*statuto*) may in each case (to the extent permitted under the applicable laws and regulations of the Republic of Italy) provide for higher majorities.

Any Extraordinary Resolution duly passed at any meeting of Noteholders will be binding on all Noteholders, whether or not they are present at the meeting and irrespective of how their vote was cast (provided that their vote was cast in accordance with the provisions of the Agency Agreement) and on all Couponholders.

14.2 Noteholders' Representative

Pursuant to Articles 2415 and 2417 of the Italian Civil Code, a representative of the Noteholders (*rappresentante comune* or "**Noteholders' Representative**") is appointed, *inter alia*, to represent the interests of Noteholders, such appointment to be made by an Extraordinary Resolution to be passed by a meeting of Noteholders or by an order of a competent court at the request of one or more Noteholders or by the directors of the Issuer. Each such Noteholders' Representative shall have the powers and duties set out in Article 2418 of the Italian Civil Code.

14.3 Modification

The Notes, the Coupons and these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless (i) it is of a formal, minor or technical nature, (ii) it is made to correct a manifest error or (iii) it is not materially prejudicial to the interests of the Noteholders. In addition, the parties to the Agency Agreement may agree, without the consent of the Noteholders, to modify any provision thereof in order to comply with mandatory laws, legislation, rules and regulations of the Republic of Italy and the Issuer's By-laws (*statuto*), entered into force at any time while the Notes remain outstanding, applicable to the convening of meetings, quorums and the majorities required to pass any Extraordinary Resolution at a meeting of Noteholders.

15. Further Issues

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except with regard to the first payment of interest) so as to form a single series with the Notes.

16. Notices

Notices to the Noteholders shall be valid if published in a reputable leading English language daily newspaper having general circulation in London and, for so long as the Notes are admitted to trading on the regulated market of Euronext Dublin and it is a requirement of applicable laws and regulations or the rules of that stock exchange, on the website of the Euronext Dublin (www.euronext.com/en/markets/dublin). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice shall be deemed to have been given on the date of first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

Until such time as any definitive Notes are issued, there may, 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) 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 authority. 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 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 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 Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent, and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

17. 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 the Agent or any other 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 11 (*Prescription*).

18. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of this Note 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 Jurisdiction

19.1 Governing law

The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law. Conditions 14.1 (*Meetings of Noteholders*) and 14.2 (*Noteholders'*

Representative) and the provisions of the Agency Agreement concerning the meetings of Noteholders are subject to compliance with mandatory provisions of Italian law.

19.2 Jurisdiction

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligations arising out of or in connection with the Notes). The Issuer and any Noteholder agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.

19.3 Process agent

The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Law Debenture Corporate Services Limited at Fifth Floor, 100 Wood Street, London EC2V 7EY or, if different, at its registered office for the time being or at any address of the Issuer in Great Britain at which process may be served on it in accordance with the Companies Act 2006. If such Person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer or it ceases to be registered in England or, for any other reason, is unable or unwilling to act in such capacity, the Issuer shall immediately appoint a further Person in England to accept service of process on its behalf and give notice to Noteholders of such appointment. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law.

USE OF PROCEEDS

An amount equal to the net proceeds from each issue of each Tranche of Notes will be applied by the Issuer, as indicated in the applicable Final Terms, either:

(i) for its general corporate purposes; and/or

(ii) to finance and/or refinance, in whole or in part, existing and/or future Eligible Green Projects.

According to the definition criteria set out by the International Capital Market Association ("**ICMA**") Green Bond Principles ("**ICMA GBP**"), only Tranches of Notes financing or refinancing Eligible Green Projects (above mentioned at (ii)) will be denominated "Green Bonds".

In case of project divestment, an amount equal to the net proceeds of the "Green Bonds" will be used to finance and/or refinance other Eligible Green Projects.

Eligible Green Projects have been defined in accordance with the broad categorisation of eligibility for "Green Projects" set out by the ICMA GBP.

The Eligible Green Projects constitute expenditures that occurred no earlier than three financial years prior to the year of issuance, the budget year of issuance itself, and two financial years following the year of issuance. For the purposes of this section, the Eligible Green Projects, which meet the Eligibility Criteria set out in the Green Financing Framework, may include:

- capital expenditures;
- acquisition of stakes in "pure player" assets or companies deriving at least 90% of their revenues from zero tailpipe public transport and which meet the Eligibility Criteria described in the Green Financing Framework.

Selected Eligible Green Projects have been grouped in compliance with financial statements representation:

- Fleet/Clean transportation;
- Renewable energy; and
- Buildings.

In case of investments for broader infrastructure projects, which affect all transport modes, and where the Green Financing Framework's applicable thresholds are not met, a pro-rata approach will be used to determine the amount of Eligible Green Projects. The calculation will be made using the number of passengers per km on electrified public transport vs. the total number of passengers per km (electric and diesel) in the applicable year of disbursement.

Investments can be carried out in Italy or abroad, thus allowing ATM foreign subsidiaries (e.g., Metro Service A/S in Copenhagen, THEMA S.A. in Thessaloniki) to benefit from the Group's environmentally friendly policy.

For further information, make reference to the Green Financing Framework and the Second-party Opinion which are available on the Issuer's website at the following link https://www.atm.it/en/IlGruppo/Investors/Pages/SustainableFinance.aspx.

The Green Financing Framework and the Second-party Opinion and any other documentation relevant to Notes issued as "Green Bonds" are subject to review and change and may be amended, updated, supplemented, replaced or withdrawn from time to time. Potential investors in Notes issued as "Green Bonds" should access the latest version of the relevant document on the Issuer's website.

For the avoidance of doubt, none of the Green Financing Framework, the Second-party Opinion, or any other certification, report or opinion relating to Notes issued as “Green Bonds” are, or shall be deemed to be, incorporated in and/or form part of this Base Prospectus.

DESCRIPTION OF THE ISSUER

Overview

Azienda Trasporti Milanesi S.p.A. ("**ATM**" or the "**Issuer**") is the parent company of the group comprising itself and its subsidiaries (the "**Group**"). The Group's main business activity is the operation of the local public transport ("**LPT**") networks and lines, both underground and overground, in the area administered by the City of Milan (*Comune di Milano*) and part of the wider area administered by the Milan Urban District Council (*Città Metropolitana di Milano*), with few extensions into the Monza area. The Group, which employs approximately 10,500 people, operates metro, tram, bus, trolley bus and funicular services. The Issuer owns the rolling stock[7] and most of the key assets (*beni strumentali*) necessary for the provision of LPT services and operates the LPT service in Milan and in the adjoining area[8]. The infrastructures for the provision of the LPT services (such as, for example, tracks, tunnels power supply systems) are owned by the City of Milan.

The Group also manages ancillary businesses on behalf of the City of Milan, including on-street parking, 23 park-and-ride stations, the towing-away and impounding of vehicles and the control system for the congestion charge zone restricting access to Milan city centre known as "Area B" and "Area C" and the bike sharing system in Milan. In addition, the Group operates abroad managing the automated Copenhagen metro through its subsidiary Metro Service A/S. Since October 2023, following the award of the related tender, the new Group subsidiary THEMA S.A., a corporation established in Thessaloniki under the laws of Greece, is currently facing the pre-operation phase aimed at opening the revenue service of the Thessaloniki automatic metro network from December 2024.

Milan, Copenhagen and Thessaloniki represent large catchment areas, with populations of approximately 1.3 million in the City of Milan (rising to approximately 3.2 million in the whole Milan Urban District)[9], approximately 600,000 in Copenhagen (approximately 1.3 million including the wider urban district) (*Source*: ISTAT and StatBank Denmark) and approximately more than 320,000 in Thessaloniki (approximately 1 million in the whole metropolitan area)[10]. Milan and Copenhagen are also among the urban areas in Europe with the highest GDP per capita[11]. In Italy, the Group recorded passenger volumes of approximately 800 million in 2023, with approximately 200 million km travelled in total over the network covering an area of approximately 1.200 square kilometres, of which the LPT service in Milan represented passenger volumes of approximately 660 million, with approximately 150 million km travelled over the network covering an area of approximately 660 square kilometres. With reference to the Copenhagen metro, in the same year the Group recorded passenger volumes of approximately 120 million, with approximately 32 million km travelled over a network covering an area of approximately 160 square kilometres.

The Issuer is a joint stock company (*società per azioni*) incorporated in the Republic of Italy on 3 January 2001 in compliance with the provisions of the Italian Civil Code for a period expiring on 31 December 2100, subject to possible extension by a resolution passed at its shareholders' meeting, and operating under the laws of the Republic of Italy. The Issuer is wholly owned by the City of Milan. Its registered office is at Foro Buonaparte 61, 20121 Milan, Italy and its registration number at the Companies' Registry of Milan is 97230720159. The Issuer's Legal Entity Identifier (LEI) is 8156002D5472BDE44822. The Issuer may be contacted by telephone on +39 02 48031 and by email at the following certified email

7 With the exclusion of the train carriages of the M4 and M5 metro lines which are owned, respectively, by SPV Linea M4 S.p.A. and Metro 5 S.p.A..

8 The funicular railways managed by ATM are present in different areas of the Lombardy region, namely the cities of Como and Varese.

9 *Source*: ISTAT.

10 *Source*: Hellenic Statistical Authority.

11 *Source*: EUROSTAT.

address: *atmspa@atmpec.it* and *finanzagruppoatm@atmpec.it*. The Issuer's website address is *www.atm.it.* The information on this website and any other website specified in this Base Prospectus does not form part of this Base Prospectus, except where that information has been specifically incorporated by reference into this Base Prospectus (see "*Documents Incorporated by Reference*").

History and Development of the Group

The Group and the local public transport services in Milan have developed in parallel. The company Azienda Tranviaria Municipale was first established in 1931 for the purpose of "operating the tram service for the City of Milan, both inside the city and between the city and nearby towns".

After changing its corporate name to Azienda Trasporti Milanesi in 1999, the company was incorporated as a joint stock company (*società per azioni*) under the Italian Civil Code on 3 January 2001.

On 22 September 2006, in compliance with the applicable regulatory framework which provided for the separation into two separate entities of the local public transport management activities and ownership of the related instrumental assets, ATM established ATM Servizi S.p.A. as its wholly owned subsidiary.

With effect from 1 April 2018, ATM Servizi S.p.A. was merged by incorporation into ATM, resulting in the concentration of LPT services and ownership of the related instrumental assets necessary to carry out the service itself into a single entity, as permitted by the new applicable regulatory framework.

The Group has experienced progressive expansion in light of growing mobility demand resulting from the post-war economic boom in Milan and surrounding areas, in particular following the opening in 1964 of the first underground railway line (the "red line" or the "**M1**") which crosses Milan from north-east to west.

In December 1969, the metro's second line was opened (the "green line" or the "**M2**") linking north-eastern and south-western parts of Milan and then, in 1990, the third metro line (the "yellow line" or the "**M3**") started its operations, linking the fast developing south-east area of Milan with the north of the city. In 2013, a new fully automated line operated by the Group was opened (the "lilac line" or the "**M5**"), while in 2015 the construction of another fully automated line was started (the "blue line" or the "**M4**"). The M4, which is managed by the Group, has begun its operations in 2023.

Since 2000, the Group's rolling stock has been upgraded to allow the Group to achieve a higher standard of service, as well as to meet more stringent environmental requirements. In 2017, ATM launched its ambitious "Full electric" programme in order to replace its 1,200 diesel-fuelled buses. The plan is progressing, with the aim of being able to offer zero-emission public transport in Milan within 2030. By that date, ATM vehicles will save 30 million litres per year of diesel and CO_2 production will be reduced by almost 75 thousand tonnes per year. This milestone was announced in 2017 by the Mayor of the City of Milan. At the moment, 240 new buses have been involved in the electric transition programme, which will rise to 500 buses by 2026, thus exceeding 40% of the expected total. In addition to the electric buses, 350 hybrid buses are currently in operation, which have both a combustion engine and an electric motor. Such hybrid buses have a smaller impact than diesel-fuelled ones, although the plan still envisages replacing them with electric buses by 2030. This is accompanied by an electrification plan for the adaptation of 4 existing depots and the creation of 2 new depots as well as the installation of opportunity chargers at the terminals of certain lines.

With reference to metro trains, between 2014 and 2020 ATM acquired 72 new M1 and M2 Hitachi Leonardo trains with its own resources. Furthermore, between 2025 and 2028 46 new trains (21 for M1 and 25 for M3) will be acquired to replace older vehicles and allow an increase in LPT service frequency.

ATM is also engaged in a renovation program of the tram fleet (14 new 34 meters bidirectional trams by 2026 and 60 new 26,5 meters bidirectional trams by 2027).

In parallel, the Group has expanded its activities abroad where it has been operating the automated

Copenhagen metro since 2008 through its subsidiary Metro Service A/S. An extension of Copenhagen's underground public transport network (*Cityringen*) became operational in 2019 under the Group's operations of the extended network. In addition, through its subsidiary Metro Service A/S, the Group carries out the activities relating to the operation and management of Copenhagen's "Ring 3", a light rail line under construction expected to be completed in 2025.

In addition, as mentioned above, the Group has recently started its presence also in Greece, where THEMA S.A. will operate the Thessaloniki metro network (2 lines for a total of about 15 km operated with 33 driverless four-car Hitachi trains) until October 2034.

The 2021-2025 Strategic Industrial Plan

On 15 March 2021, the Board of Directors of the Issuer approved the 2021-2025 strategic industrial plan (the "**Strategic Industrial Plan**"), updated on 14 April 2023 for the years 2023-2025.

The Strategic Industrial Plan, in accordance with the mission of the Group and in continuity with the previous strategic plan, is based on the following core objectives:

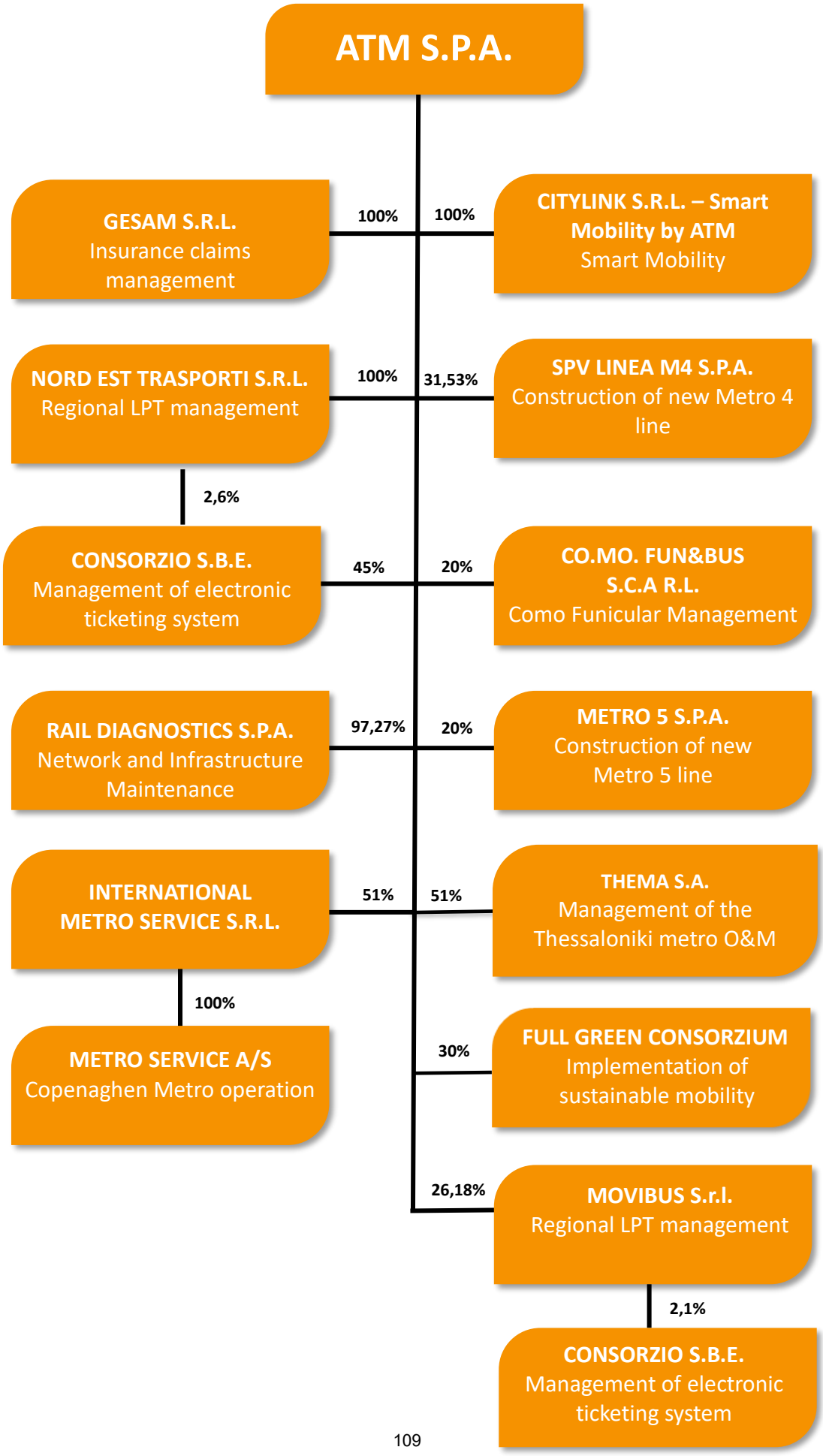
- to be a nationally and internationally recognised excellence in sustainable integrated mobility management, through services which are technologically advanced, efficient and resilient and focused on the consumer;
- to become a driver for the change and development of the City of Milan, its evolution into a more liveable, sustainable, safer and smarter city; and
- to promote the valorisation of its people and assets through the development of new skills and the attraction and growth of talent by promoting a culture open to diversity and inclusion.

The Strategic Industrial Plan aims at achieving the challenging targets that have been set through specific initiatives that are defined by the following main strategic guidelines:

- operational efficiency;
- business expansion; and
- sustainability.

Group Structure and Principal Subsidiaries

As of the date of this Base Prospectus, the Group is composed of ATM and its subsidiaries. The following diagram illustrates the Group structure, including minority shareholdings, and the relevant percentages of ownership as of the date of this Base Prospectus.


ATM S.P.A.
GESAM S.R.L.
Insurance claims management
100%
100%
CITYLINK S.R.L. – Smart Mobility by ATM
Smart Mobility
NORD EST TRASPORTI S.R.L.
Regional LPT management
100%
31,53%
SPV LINEA M4 S.P.A.
Construction of new Metro 4 line
2,6%
CONSORZIO S.B.E.
Management of electronic ticketing system
45%
20%
CO.MO. FUN&BUS S.C.A R.L.
Como Funicular Management
RAIL DIAGNOSTICS S.P.A.
Network and Infrastructure Maintenance
97,27%
20%
METRO 5 S.P.A.
Construction of new Metro 5 line
INTERNATIONAL METRO SERVICE S.R.L.
51%
51%
THEMA S.A.
Management of the Thessaloniki metro O&M
100%
METRO SERVICE A/S
Copenaghen Metro operation
30%
FULL GREEN CONSORZIUM
Implementation of sustainable mobility
26,18%
MOVIBUS S.r.l.
Regional LPT management
2,1%
CONSORZIO S.B.E.
Management of electronic ticketing system

Azienda Trasporti Milanesi S.p.A.

As parent company, ATM carries out management and coordination activities of the other companies of the Group, including pursuant to article 2497 of the Italian Civil Code. In addition, ATM owns the rolling stock and most of the key assets (*beni strumentali*) necessary for the provision of LPT services in the City of Milan and in the adjoining area. Please see " – *Overview*" above for further information on ATM's business.

Below are listed the companies controlled by the Issuer.

CityLink S.r.l. – Smart Mobility by ATM

Incorporated on 9 September 2010, ATM Servizi Diversificati S.r.l. ("**ATM Servizi Diversificati**") is a wholly-owned subsidiary of the Issuer that managed the on-demand transportation services of the Group (*e.g.* rental of trams and buses with drivers for private use) as well as certain activities in the diversified service sectors such as the restaurant tram and tourist trams. On 12 October 2021, ATM Servizi Diversificati changed its corporate name to CityLink S.r.l. - Smart Mobility by ATM ("**CityLink**") as well as its corporate purpose, which now involves the development of the smart mobility sector. CityLink is active in the implementation of a "MaaS" project (Mobility as a Service) through the implementation and management of a platform which will integrate all methods of transport, private and public, and will allow users to plan, book and pay for multiple mobility services (sharing, micro-mobility, as well as parking and parking) in a single solution through the use of a website and a mobile app. Certain activities in the diversified service sectors previously managed by ATM Servizi Diversificati (such as the restaurant and tourist trams) are now directly carried out by the Issuer.

GeSAM S.r.l.

Incorporated on 22 December 2005, GeSAM S.r.l. ("**GeSAM**") is a wholly-owned subsidiary of the Issuer, carrying on the insurance business of the Group and, in particular, providing consultancy services to Group companies in the insurance sector aimed at the preparation and settling of claims involving the Group, with the exception of insurance mediation activities.

International Metro Service S.r.l.

Incorporated on 12 April 2007, International Metro Service S.r.l. ("**International Metro**") is 51% owned by ATM, with its remaining shares held by Hitachi Rail STS S.p.A. (before Ansaldo STS S.p.A.), part of the Hitachi group ("**Hitachi STS**"). International Metro operates the Copenhagen metro through its wholly-owned Danish subsidiary Metro Service A/S and provides services for the transport of people and goods, including the relevant programming and operational organisation activities, in order to implement contracts for the operating and maintenance of metro systems.

Nord Est Trasporti S.r.l.

Incorporated on 5 December 2007, Nord Est Trasporti S.r.l. ("**NET**") is a wholly owned subsidiary of the Issuer and manages transport services for people, goods and information, including the related programming activities and operational organisation, as well as services connected to transport and mobility around the Milan Urban District, the province of Monza and Brianza and the municipality of Monza.

Rail Diagnostics S.p.A.

Incorporated on 31 October 2006, Rail Diagnostics S.p.A. is 97.27% owned by ATM and focuses on the maintenance and integrated diagnostics of the metro and tram infrastructure and control systems for the Group.

THEMA S.A.

Incorporated on 27 September 2023, THEMA S.A. is a joint stock company (*società anonyme*) established pursuant to the laws of Greece, where ATM holds 51% of shares and the minority shareholder is the French engineering company Egis Projects S.A.S. THEMA S.A. is a special purpose vehicle whose mission is to operate the Thessaloniki automated metro network and to perform all the ancillary activities and duties.

Strengths

The Issuer believes that the following strengths characterise its business and will help achieve its strategic goals and enhance its competitive position.

Strong and resilient business model

The Group has been able to enhance its operational efficiency, against a backdrop of economic stagnation in Italy and a reduction in public funding for LPT services. Since 2010, the Group has been able to increase its passenger volumes in the area administered by the Milan Urban District Council (*Città Metropolitana di Milano*) from 670.3 million in 2010 to 806.5 million in 2019. During the Covid-19 pandemic, the ridership sharply decreased, but since 2022 has been continuously growing and the Issuer expects it will equal pre-pandemic data by 2026.

The following table shows the trend of passengers' volumes for the years 2020 to 2023.

Year	Passengers per year (million)
2020	351,9
2021	415,0
2022	569,9
2023	662,2

The Group is changing its business model in order to face new mobility patterns (*e.g.* decrease of trips made by commuters due to remote working, increase of trips for tourism, business, exhibitions, events, shopping) by enhancing digital services, flexible operation, real time information, data driven planning and scheduling, multimodal integration for a seamless passenger experience.

In addition, although the main LPT contracts of the Group are currently based on a gross cost mechanism, whereby the fees received by the Group do not depend on revenues from ticket sales, in the future (particularly in view of the upcoming expiry of key LPT service contracts) those LPT contracts may be switched to net cost mechanism (for additional information on gross cost and net cost mechanisms, see "– *Contracts for LPT Services*" below. See also as "*Risk Factors – Risks relating to the Group's revenue sources*" above).

Key role in providing LPT services in the City of Milan and Milan Urban District

In Italy, the Group operates in areas with sustained and growing mobility demand and the area encompassing the City of Milan and its immediate neighbouring 40 municipalities recorded an average of 2 million journeys each day in 2017 (the latest available period for these statistics) (*Source*: City of Milan – mobility urban plan). In addition, the Issuer believes that it is able to meet a significant part of the mobility demand in the Milan Urban District. For example, in 2017 (the latest available period for these statistics) LPT services represented 57% of journeys within the City of Milan and 26% of journeys involving neighbouring area (*Source*: City of Milan – mobility urban plan).

Strong market position

The Issuer believes that it benefits from a strong market position due to:

Stable operating environment

The Group has been operating LPT services in the City of Milan since its establishment in 1931. This has allowed the Group to develop a thorough understanding of the LPT requirements in the areas in which it operates.

The areas in which the Group operates are among the wealthiest in Europe

The Group's operations in Italy are located in one of the wealthiest metropolitan areas in Europe. In Italy, the Group operates exclusively in the Lombardy region and mainly in the Milan area. The Lombardy region is the most populous region in Italy, with a population of approximately 10 million inhabitants in 2023 (or 16.9% of the Italian population) and one of the most economically developed regions in Italy, with a gross domestic product ("**GDP**") of 22% of Italian GDP (*Source*: ISTAT).

Within the Lombardy region, the area covered by the Milan Urban District represents a densely populated area (more than 2,000 inhabitants per square kilometre in 2023) with a population of 1.3 million in the City of Milan (rising to 3.2 million in the whole Milan Urban District) (*Source*: ISTAT). In 2022, the City of Milan had one of the highest GDP per capita (measured at current market prices) in Italy at approximately Euro 50,000 (*Source*: Municipality of Milan).

The Group also carries on business in Denmark, operating the underground network in Copenhagen, a city of approximately 660,000 inhabitants (1.3 million including the wider urban district) (*Source*: Statistics Denmark). In 2021, the city of Copenhagen had a GDP per capita (measured at current market prices) at Euro 69,300 (*Source*: Statista).

Main provider of essential public services in the areas in which the Group operates

The Group provides LPT services in the areas in which it operates on the basis of service contracts or operations and management contracts entered into with the relevant grantor. LPT activities are classified as "essential public services" (*servizio pubblico essenziale*) and, as such, are heavily regulated with regard to the tender process for the award of contracts, conditions for operation of LPT service and quality standards, as well as the setting of fares and public funding. In light of the above, there are significant barriers to entry for competitors due to the nature of LPT services.

Strong financials

As of 31 December 2023, the Group had a passive net financial position of Euro 95,669 thousands (as compared to an active net financial position of Euro 36,776 thousands as of 31 December 2022), due to Euro 142,186 thousands of cash and cash equivalents, Euro 170,281 thousands of current financial assets and Euro 408,136 thousands of financial indebtedness.

Coupled with the cash flow generated from operations (Euro 139,375 thousands and Euro 107,519 thousands in 2023 and 2022, respectively), this allows the Group to finance its investment plan with limited recourse to indebtedness, due also to public grants.

Sector-experienced management team

The Group benefits from an experienced management team. Under the guidance of the Issuer's Board of Directors, the management team is led by the General Manager, Mr. Arrigo Emilio Giana, who has several years of experience in the local public transport industry and in the Group. Mr. Giana is supported by a team of senior managers with several years of experience within the Group and the local public transport industry.

Stability of ownership

Since its establishment in 1931, the Issuer has been wholly-owned by the City of Milan and, through this long-lasting relationship, has developed close ties with the City of Milan (where the Group generates the majority of its revenues) fostered by (i) the City of Milan's shareholding in ATM and (ii) the role of the Group in providing an essential public service, such as transportation, to the community living in the Milan Urban District.

Strategy

The Group aims to maintain its position of leadership in the domestic local public transport market and expand its international footprint, preserving a solid financial structure, considering the downward trend in state and local subsidies to finance LPT services. All this while maintaining a clear focus on environmental, economic and social sustainability.

In order to achieve its objectives, the strategy of the Group involves:

- achieving an adequate level of self-financing through generation of revenues, mainly possible due to increased efficiency through actions aimed at containing operating costs, in order to continue its investment programme on the rolling stock;
- prioritisation of investments in the overhauling of the underground and surface fleets in order to achieve higher environmental standards and operational efficiency as well as contributing to the transition to sustainable and cleaner energy sources;
- further improvement in service by revising the maintenance processes and related IT platforms;
- expansion of "core" activities through a close analysis of opportunities from different markets, including Europe, in relation to which the Group is expanding its operations in Denmark as a result of the extension of the Copenhagen metro and in Greece where it is expected to open the revenue service of the Thessaloniki automatic metro network from December 2024; and
- strengthening of know-how and in-house expertise, through customised and continued training of its workforce.

Please also see " – *The 2021-2025 Strategic Industrial Plan*" above.

Business

The main business of the Group is the operation of:

- public transport activities and, in particular:
  - the LPT service in Milan (also including the M4 and M5 metro lines of Milan, in both cases under contracts with concession holders in which the Issuer has shareholdings);
  - the local public road transport in the municipality of Monza and in the province of Monza and Brianza through its subsidiary NET;
  - the Copenhagen automated underground network in Denmark and the Light Rail for Greater Copenhagen area, indirectly through its subsidiary Metro Service A/S; and
  - the Thessaloniki automated underground network in Greece, indirectly through its subsidiary THEMA S.A.; and
- certain additional services, including:
  - ancillary services to the operation of the integrated public transport service in the City of Milan, including on-street parking, towing-away and impounding of vehicles, the control system for the "Area C" congestion charge zone in Milan city centre and the management of real estate assets (e.g. through leasing of commercial premises located in underground stations) and

advertising spaces, through the Issuer;

- the funicular railway in Northern Italy (Como and Brunate and Varese Sacro Monte); and
- maintenance and integrated diagnostics of underground and tram lines control systems.

For further details on the revenues arising from the main business areas of the Group as of 31 December 2023 and 2022, please refer to the paragraph "*Notes to the consolidated income statement*" under the section "*Consolidated explanatory notes*" of the Issuer's 2023 Audited Consolidated Annual Financial Statements, which are incorporated by reference in this Base Prospectus.

Operating Framework

Public Transport Network in Milan

The public transport network in Milan is composed of a surface network and an underground network operating in the city of Milan and the surrounding urban areas.

As of 31 December 2023, the surface network comprises the following:

- *Automotive network*: 161 bus lines, of which four replace the metro overnight, 56 are suburban lines and 25 are provincial lines, and also including the radiobus service operating in 15 districts of the City of Milan and, since 1 May 2015, 15 night bus lines with departures every 30 minutes, altogether covering 1,611 km with a fleet of 1,396 vehicles;
- *Tram network*: 17 tram lines covering 157 km with a fleet of 493 vehicles; and
- *Trolleybus network*: four urban bus lines covering 38.8 km with a fleet of 126 vehicles.

The tables below summarise the main operational data relating to the public transport activities of the Group in Italy as of 31 December 2023.

TOTAL NETWORK[(1)]			
Area covered (*square km*)	656	Passenger volumes (*million*)	662.2
Municipalities covered	46	Km travelled (*million*)	154.6

METRO NETWORK			
Number of lines	5	Fleet (engines and carriages)[(4)]	947
Network length (*km*)[(2)]	103.9		
Systems length (*km*)[(3)]	230.3		

ROAD NETWORK			
Number of lines	136	Fleet[(4)]	1,259
Network length (*km*)[(2)]	1,223.4	Average age of fleet (*years*)	6.9

TRAM NETWORK			
Number of lines	17	Fleet[(4)]	493

Network length (*km*)[2]	157.0
Systems length (*km*)[3]	273.0

TROLLEYBUS NETWORK			
Number of lines	4	Parco veicoli[4]	126
Network length (*km*)[2]	38.8		
Systems length (*km*)[3]	85.8		

(1) Data in the table includes the activities carried out by ATM in the Milan Urban District
(2) Network length refers to the sum of all lengths of each line
(3) Kilometers of operating line armament and overhead network are considered
(4) Fleet refers to owned vehicles

METRO COPENHAGEN

Area covered (*square km*)	162	Number of lines	4
Municipalities covered	3	Network length *(km)*	39.5
Passenger volumes (*million*)[2]	119.7	Fleet	81
Km travelled (*million*)	32.3		

SERVICES CARRIED OUT IN THE MILAN URBAN DISTRICT, PROVINCES OF MONZA AND BRIANZA, BERGAMO AND LECCO

Area covered (*square km*)	655	Number of lines	25
Municipalities covered	59	Network length *(km)*[2]	387.9
Passenger volumes (*million*)	10.4	Fleet [4]	137
Km travelled *(million)*	7.7		

PARKING AND PARKING AREA

Parking		**Parking area**	
Number	23	Parking space	107,592
Parking space	17,531		
Number of entrances	5,514,168		

FUNICULAR RAILWAY COMO - BRUNATE

Network length *(km)*	1.1	Km travelled *(million)*	50,946

Passenger volumes *(million)*	1.5

MINIMETRO CASCINA GOBBA - H. SAN RAFFAELE

Network length *(km)*	0.7	Km travelled *(million)*	85,407
Passenger volumes *(million)*	0.6		

FUNICULAR RAILWAY VARESE VELLONE – S. MARIA DEL MONTE

Network length *(km)*	0.4	Km travelled *(million)*	1,832
Passenger volumes *(million)*	0.02		

(1) Network length refers to the sum of all lengths of each line

(2) Fleet refers to owned vehicles

The underground network is composed of five lines, with a total length of approximately 103.9 km and 121 stations. The table below sets out the main operational information on the Milan metro.

Line	Route	Year opened	Length	Stations
M1	Sesto 1° Maggio FS ↔ Rho Fieramilano / Bisceglie	1964	26,70 km	38
M2	P.za Abbiategrasso Chiesa Rossa / Assago Milanofiori Forum ↔ Cologno Nord / Gessate	1969	39,88 km	35
M3	San Donato ↔ Comasina	1990	17,31 km	21
M4	Linate Aeroporto ↔ San Babila	2022	7,16 km	8
M5	Bignami Parco Nord ↔ San Siro Stadio	2013	12,88 km	19
		Total	**103,93**	**121**

Copenhagen underground network

The Copenhagen underground network consists of four lines totalling 36 km in length. The lines are served by 81 fully automated trains, with a service running 24 hours a day, 7 days a week. In 2023, the Copenhagen underground network had a passenger volume of approximately 111 million and the automated trains recorded more than 11 million km in travels.

Thessaloniki underground network

The Thessaloniki metro network includes an underground main line 9,6 km long, with 13 stations (the "**Main Line**"). It also includes a depot in Pylaia for the storage of rolling stock, maintenance and repair works, as well as for the works related to the maintenance and repair of the entire electromechanical equipment of the network. The operation control centre and the administrative buildings (headquarter) are also located in the depot area. The Main Line starts from New Railway Station (connection with the Greek rail network) until the terminus of Nea Helvetia. In addition to the Main Line, the network includes an extension to Kalamaria, 4,6 km long with 5 stations (the "**Kalamaria Extension**").

The Main Line will be opened within December 2024, while the Kalamaria Extension is expected to start operation within June 2025. The fleet consists of 18 four-car Hitachi trainsets, dedicated to the operation on the Main Line, to be integrated with additional 15 similar trains for the operation of the Kalamaria Extension (therefore the total fleet will include 33 trains).

The construction of the Main Line and the Kalamaria Extension is still in progress.

Contracts for LPT Services

Substantially all of the services rendered by the Group within the public transport business are regulated under specific service contracts or operations and maintenance contracts, each entered into either by the Issuer or by a company of the Group, as better described below, and the relevant concession grantor.

In general, public entities/awarding authorities award the management of LPT and related and ancillary activities using two types of contracts:

- *Gross cost contracts*: In this case the operator bears the operating risk of the service, whilst the commercial risk is borne by the awarding authority. The latter benefits from the revenue deriving from ticket sales, whilst the operator receives an annual fee linked to the level of service provided and calculated by reference to the parameters set forth in the relevant contract, re-evaluated each year based on inflation. The fee is not in any way influenced by trends in revenues from ticket sales or the effects of any changes in fares or in demand. It is, therefore, necessary for the operator to continue to strive for operating efficiency objectives, mainly by controlling costs.
- *Net cost contracts*: In this type of contract, the operator bears both the operating and commercial risks, benefiting from revenues from ticket sales and receiving a fee from the awarding authority to cover the forecasted production costs.

As of the date of this Base Prospectus, the Group operates its contracts for LPT services in Milan, Copenhagen and Thessaloniki on a gross cost basis, although it is uncertain whether this will continue to be the case in the foreseeable future (see also as "*Risk Factors – Risks relating to the Group's revenue sources*" above).

Milan Service Contract

Overview

Since 1 May 2010, first ATM Servizi S.p.A. and, following the merger in 2018 (as better described under the section " – *History and Development of the Group*" above), ATM has been operating LPT services

in the City of Milan following the first competitive tender launched by the City of Milan. The services that the Group provides to the City of Milan through ATM are regulated by a contract for LPT services and connected and ancillary services (the "**Milan Service Contract**") entered into between the City of Milan and ATM Servizi S.p.A. (now ATM). The Milan Service Contract was originally due to expire on 30 April 2017 but has been extended until 31 December 2026. See "– *Expiry and Replacement of Milan Service Contract*" below.

Under the Milan Service Contract, ATM is responsible for the operation of LPT services and ancillary services based on directions and directives from the City of Milan, which is responsible for planning. In addition, investments for the development and maintenance of the public transport network and related infrastructure are the responsibility of the owner, i.e. the City of Milan. The City of Milan receives income from ticket sales and can set fares. ATM, however, performs a strategic role as operator of the sales network on behalf of the City of Milan.

In addition to the LPT services operated by the Group, pursuant to the Milan Service Contract ATM is also responsible for ancillary services to local public transport, such as on- and off-street parking and the towing away and impounding of vehicles pursuant to the highway code. The City of Milan decides the charging policy for on-street parking, while the revenues are recorded by the Group, which pays the City of Milan an agreed fee.

Principal terms

A summary of the main provisions of the Milan Service Contract is set out below:

- *Duration/term*: The Milan Service Contract is effective from 1 May 2010 and, as mentioned above, was originally due to expire on 30 April 2017, but has been extended, more recently, until 31 December 2026.
- *Object*: The supply of local public transportation services.
- *Main undertakings by ATM*:
    - to provide the LPT services in compliance with the quality standards and rules identified under the tender documents and specifications;
    - to ensure the provision of services that are ancillary to the LPT services;
    - to guarantee the functionality and adequacy of the vehicles, structures and equipment necessary to provide the LPT services (including their upgrading/replacement);
    - to inform passengers of the services offered as well as any timetable changes;
    - to adopt an adequate monitoring plan for the LPT services;
    - to promote the enhancement of the value of assets made available by the City of Milan;
    - to make tickets sales and inspections, as well as levying fines on passengers without a valid ticket;
    - to transfer the income generated by the LPT services to the City of Milan;
    - to adopt technologically advanced ticket issue services and payment services; and
    - to ensure that the LPT services are performed until a new operator has stepped in.
- *Main obligations of the City of Milan*:
    - to make available to ATM the assets necessary to provide the LPT services;
    - to make the investments under the relevant programmes necessary to improve the

conditions of supply of the LPT services; and

- to pay the fee due to ATM.

- *Revenues*: The Milan Service Contract is operated on a gross cost basis and, accordingly:
  - ATM is entitled to receive a yearly fee, subject to annual updates by reference only to the inflation rate or any variations in the distance covered by the transportation service; and
  - revenues generated from ticket sales are transferred to the City of Milan, whilst ATM is entitled to retain all income from ancillary services and the commercial exploitation of the assets made available to it.

- *Guarantees*: in connection with its obligations under the Milan Service Contract, ATM granted a performance bond for the benefit of the City of Milan. In addition, the City of Milan withholds a part of the fees paid to ATM, which is released after verification of compliance with the production and quality parameters.

- *Termination*: The City of Milan is entitled to terminate the contract for the following reasons: (i) unjustified suspension or interruption of LPT services; (ii) material defaults in the provision of LPT services; (iii) failure to comply with applicable laws and regulations; (iv) loss of the ethical, technical or financial requirements; (v) failure to continue to provide the LPT services; (vi) failure to provide to the City of Milan the information and data necessary to monitor the provision of LPT services; (vii) bankruptcy of ATM or commencement of other insolvency procedures; (viii) failure to provide a new performance bond in the event of enforcement; (ix) unauthorised assignment of the contract, except in case of transfers as a going concern, mergers or demergers; (x) non-compliance with the regulation of financial transactions; and (xi) suspension of the LPT services in case of litigation.

- *Revocation*: The City of Milan may revoke the Milan Service Contract in case of: (i) reorganisation of the LPT services or part of them; (ii) inadequacy of the LPT services due to developments in the transportation requirements; and (iii) public interest reasons.

- *Penalties/sanctions*: ATM is subject to sanctions and penalties in case of failure to: (i) maintain the vehicles, structures and equipment necessary to provide the LPT services; (ii) meet the contractual obligations and minimum quality standards; and (iii) provide, within 12 months from the expiry of the contract, lists of the assets necessary to provide the LPT services, employees and contracts for the supply of goods and services.

Expiry and Replacement of Milan Service Contract

Following the expiry of the Milan Service Contract, a new contract (the "**New Milan Service Contract**") will be awarded by the Local Public Transport Agency (*Agenzia per il Trasporto Pubblico Locale* – "**LPT Agency**") competent for the territory of the Milan Urban District, Monza and Brianza, Lodi and Pavia to manage the tender process for the award of the New Milan Service Contract by virtue of Regional Law No. 6/2012. Entities participating in the LPT Agency are the City of Milan (with a 50.0% stake), the Milan Urban District Council (with a 12.2% stake), the Lombardy region (with a 10.0% stake), the Province of Monza and Brianza (with a 7.3% stake), the Province of Pavia (with a 6.2% stake), the Province of Lodi (with a 4.2% stake), the City of Pavia (with a 4.2% stake), the City of Monza (with a 3.4% stake) and the City of Lodi (with a 2.4% stake).

As the structure of the tender has not yet been determined, the LPT Agency may (i) decide to group the activities carried out under the Milan Service Contract into different categories (for example, different categories for surface and underground LPT services) and, ultimately, award them to different bidders; and (ii) apply to the New Milan Service Contract a net cost mechanism instead of the gross cost mechanism governing the Milan Service Contract, thereby exposing the operator under the New Milan

Service Contract to the risk of a decline in the number of passengers using LPT services in Milan

In the event of an award through a tender process, the Issuer expects that tender documentation relating to the New Milan Service Contract, and the New Milan Service Contract will be prepared in accordance with, the guidelines set forth in resolution No. 49/2015 (the "**ART Resolution 49/15**") issued by the national Transport Regulation Authority (*Autorità di Regolazione dei Trasporti* – "**ART**"), as subsequently amended by resolutions No. 154/2019, No. 65/2020, No. 33/2021, No. 113/2021 and No. 35/2022. For additional information on the ART Resolution 49/15, as subsequently amended, see "*Regulation – Regulatory Framework on the Local Public Transport (LPT) – Authority for the Regulation of Transport*". In this respect, ART Resolution 49/15 identifies certain key assets (*beni strumentali*) for the provision of LPT services and subdivides them into:

(i) essential assets (*beni essenziali*, which usually include rail and networks, depots, underground signalling systems and the network for the sale of tickets);

(ii) indispensable assets (*beni indispensabili*, namely the rolling stock that cannot be replaced by the newcomer at sustainable costs or due to market or technical constraints); and

(iii) commercial assets (*beni commerciali*, namely goods and equipment that can be replaced by the newcomer at sustainable costs and in due time).

The tender documentation is expected to specify which assets will be classified as essential assets, indispensable assets and commercial assets.

If the Group is not awarded the New Milan Service Contract, or if it is awarded a new service contract which encompasses only a part of the activities the Group carries out under the Milan Service Contract, the Issuer expects that, in accordance with the guidelines set forth in ART Resolution 49/15 and subject to the tender documentation and the New Milan Service Contract that will be prepared by the LPT Agency:

- ATM will hand over the assets owned by the City of Milan to the operator under the New Milan Service Contract; and
- the personnel employed by ATM for the provision of LPT services under the Milan Service Contract will be transferred to, and hired by, the operator under the New Milan Service Contract.

ATM and the operator under the New Milan Service Contract will have to enter into arrangements for the lease, purchase and/or provision in another form in favour of the incoming operator of certain essential assets (*beni essenziali*) and indispensable assets (*beni indispensabili*) owned by and/or otherwise available to ATM. The takeover value will be calculated pursuant to the ART Resolution 49/15 (as amended). Moreover, ATM and the operator under the New Milan Service Contract may enter into arrangements for the purchase of certain commercial assets (*beni commerciali*) owned by ATM. For further information on the calculation of the take-over value of the assets owned by the outgoing operator, or any third parties, to be transferred to the new operator as regulated by ART Resolution 49/15 (as amended), see "*Regulation – Regulatory Framework on the Local Public Transport (LPT) – Authority for the Regulation of Transport*".

M5 and M4 operations and maintenance contracts

The Group also operates the M5 and M4 metro lines under separate operations and maintenance contracts (respectively, the "**M5 O&M Contract**" and the "**M4 O&M Contract**").

Metro 5 S.p.A. ("**Metro 5**") is the company that has been awarded in 2006 the concession for the design, construction and operation of the M5 metro line of Milan, subject to an agreement entered into between Metro 5 and the City of Milan (the "**M5 Concession Agreement**"). The M5 Concession Agreement expires in December 2040. ATM is a minority shareholder of Metro 5 (owning 20% of its share capital

as of the date of this Base Prospectus).

SPV Linea M4 S.p.A. ("**M4 SPV**") is the special purpose vehicle that has been awarded in 2014 the concession for the design, construction and operation of the M4 metro line of Milan, subject to an agreement entered into between M4 SPV and the City of Milan (the "**M4 Concession Agreement**"). The M4 Concession Agreement expires in December 2047. ATM is a minority shareholder of M4 SPV (owning 31.533% of its share capital as of the date of this Base Prospectus).

The Issuer is the operator of the M5 and M4 metro lines, respectively, under the M5 O&M Contract and the M4 O&M Contract, whose duration is linked respectively to the term of the M5 Concession Agreement and the M4 Concession Agreement. The M5 O&M Contract and the M4 O&M Contract have been implemented as a "pass through" agreement meaning that all the operating obligations arising under the M5 Concession Agreement and the M4 Concession Agreement, respectively, for Metro 5 and M4 SPV are transferred onto ATM "back-to-back".

The main terms governing the M5 O&M Contract and the M4 O&M Contract are similar and as follows:

- *Object*: The operation and management of the metro line, as well as any extension to it, including its ordinary and extraordinary maintenance.
- *Main obligations of ATM*:
    - to operate the transportation service on the metro line in compliance with the applicable laws and the relevant concession agreement;
    - to maintain the functionality and efficiency of the metro line;
    - to carry out the ordinary and extraordinary maintenance of the metro line;
    - to guarantee the provision of alternative transport services in the event of suspension of the underground service;
    - to operate the video-surveillance system; and
    - to collect all revenues from ticket sales and transfer them to the City of Milan;
- *Main obligations of Metro 5 and M4 SPV*:
    - to hand the metro line assets over to ATM as well as any repair materials/spare parts;
    - to inform ATM of the resolutions issued by the City of Milan that may have an impact on the operation and maintenance of the metro line;
    - to obtain payment of the availability fee (*canone di disponibilità*) promptly from the City of Milan, as well as any other remuneration set out under the relevant concession agreement;
    - to supply spare parts necessary for the maintenance of the metro line; and
    - to take out an all-risks insurance policy, a third-party civil liability policy, an all-risks machinery policy and an all-risks electrical components policy.
- *Revenues*: The M5 O&M Contract and the M4 O&M Contract are operated on a gross cost basis and, in detail:
    - ATM is entitled to receive an overall fee for its services, payable in advance in six-monthly instalments within 30 days of the date on which Metro 5 and M4 SPV, as applicable, receives payment of the availability fee from the City of Milan under the relevant concession agreement;
    - for planned extraordinary maintenance to the trains there are separate additional fees to be

paid to ATM only if expressly authorised by the City of Milan; and

- revenues generated from the sponsorships/advertising on the metro line and from commercial activities are kept by Metro 5 and M4 SPV, as applicable, while income from ticket sales is transferred to the City of Milan.

- *Termination*: Metro 5 and M4 SPV are entitled to terminate, respectively, the M5 O&M Contract and the M4 O&M Contract in the event of: (i) material default by ATM in the provision of operation and maintenance activities that causes termination of the M5 Concession Agreement and the M4 Concession Agreement, as applicable; (ii) failure by ATM to provide the necessary insurance policies and guarantees; (iii) application of the maximum penalty for failure by ATM to achieve performance targets; (iv) unjustified suspension of services by ATM; and (v) failure by ATM to carry out the ordinary and extraordinary maintenance activities. In the event of default by Metro 5 or M4 SPV, as applicable, termination occurs upon prior notice to comply within a specific period. In addition, the M5 &M Contract and the M4 O&M Contract are automatically terminated in the event of termination of the M5 Concession Agreement and M4 Concession Agreement, as applicable.

- *Penalties/bonuses*: Sanctions are applied to ATM in the event of failure to achieve performance targets and quality standards set out in the M5 O&M Contract and the M4 O&M Contract, as applicable, while a bonus applies if ATM exceeds performance targets and quality standards.

Copenhagen operations and maintenance contract

Through its subsidiary, International Metro, which wholly owns Metro Service A/S, ATM manages the Copenhagen metro. In particular, the relevant construction, operations and maintenance contract was entered into on 3 February 2010 between Metroselskabet I/S (a Danish company owned by the City of Copenhagen, the Danish government and the City of Frederiksberg entrusted with the operation and maintenance of the Copenhagen metro, "**Metroselskabet**"), as awarding authority, and Hitachi STS, which subsequently entrusted Metro Service A/S of the operations and maintenance activities (the "**Copenhagen O&M Contract**").

Main terms of the Copenhagen O&M Contract

- *Duration/term*: The Copenhagen O&M Contract expires on 29 September 2027.

- *Object*: The operation and maintenance of the Copenhagen Metro, together with the right to exploit the instrumental assets of the Copenhagen underground network commercially or for advertising purposes.

- *Main obligations of Metro Service A/S*:

  - compliance with the operating plan;

  - safety and management of emergencies;

  - provision of information to the users;

  - management of customer service;

  - management of the passenger counting system;

  - maintenance of trains, stations, equipment and buildings functional to the provision of the service;

  - cleaning and removal of graffiti;

  - commercial activities;

- reporting on the operation of the service; and
- payment of electricity costs.

- *Revenues*: The Copenhagen O&M Contract is operated on a gross cost basis. Metro Service A/S is due a fixed fee from Metroselskabet, to be paid in monthly instalments and subject to indexation by reference to certain costs. Metroselskabet makes the payment of the fee to Hitachi STS for the Metrolines M3&M4, which in turn pays it to Metro Service A/S.
- *Penalties and bonuses*: These may apply in connection with service availability standards set out under the Copenhagen O&M Contract. There are specific penalties in the event of interruption of the services, low customer satisfaction, ineffectiveness of the passenger counting system and failed maintenance. Bonuses apply in the event of increases in the number of passengers during any month compared to the same month in the previous year and in connection with customer satisfaction indicators.

Expiry and Replacement of Copenhagen O&M Contract

The Copenhagen O&M Contract is due to expire on 29 September 2027 and the award of a new contract (the "**New Copenhagen O&M Contract**") by Metroselskabet will be subject to a tender process. Following the completion of the tender process, if Metro Service A/S is not awarded the New Copenhagen O&M Contract, it will have to hand over all the assets (which are owned by the City of Copenhagen) to the new operator, without the payment of a termination value.

Cityringen operations and maintenance contract

In January 2016, Metro Service A/S entered into an operations and maintenance contract with Metroselskabet, as awarding authority, for the operation of the Cityringen extension of the Copenhagen underground network (the "**Cityringen O&M Contract**"). The Cityringen extension has started its operations on 29 September 2019, while the commercial and management activities have started on 28 March 2020 for the Metroline M4.

The Cityringen O&M Contract regulates the operation and management of the Cityringen extension, including ordinary and extraordinary maintenance, and is operated on a gross cost basis. The Cityringen O&M Contract covers the 2019 – 2024 period, and has been extended until 29 September 2027.

The main terms governing the Cityringen O&M Contract are similar to those applicable to the Copenhaghen O&M Contract, see "– *Copenhagen operations and maintenance contract*" above.

Greater Copenhagen Light Rail operations and maintenance contract

Greater Copenhagen Light Rail consists of 29 stations and 28 km double track and a control and maintenance center located west of Copenhagen. It operates 29 trains delivered by Siemens, on a 5-minute headway except evenings and Sundays, where the headway is 10 minutes. Commercial operation is planned for 2025. The O&M contract shall be operated for 15 years from the start of commercial operation.

The contract was entered into by and between Metro Service A/S and Hovedstadens Letbane I/S in 2018, including 7 years mobilisation and trial run plan followed by 15 years of operation and maintenance. The maintenance of the rolling stock and signalling is performed by the TS-supplier Siemens-Aarslef consortium as a designated sub-contractor to Metro Service A/S. Metro Service A/S is responsible for all maintenance activities including those of the designated sub-contractor.

Annual passenger volume is expected to be 13-14 million per year, and the annual train kilometres is estimated at 3.2 million passenger kilometres per year.

Thessaloniki operations and maintenance contract

Through its new subsidiary THEMA S.A., the Group manages the partnership contract concerning the operation and maintenance of the Thessaloniki Metro Network (the "**Thessaloniki O&M Contract**"), entered into on 3 October 2023 between THEMA S.A. and the Greek authority Elleniko Metro ("**EM**"), a limited company which sole shareholder is the Greek State (Ministry of Economy). EM is also responsible of the management of the service contract for the operation and maintenance of the Athens underground network.

Main terms of the Thessaloniki O&M Contract

- *Duration/term*: The Thessaloniki O&M Contract will expire on 4 October 2034 (for a total duration of 11 years). The Thessaloniki O&M Contract is currently in the pre-operation period (14 months starting from the execution date), where the contractor (THEMA S.A.) shall organise the company and its structure (e.g: recruiting and training of staff, granting of licenses and authorisation to operate the service, etc.) in order to ensure the prompt start of the revenue service on the Main Line. After the opening of the Main Line, another pre-operation period will be dedicated to the Kalamaria Extension (which will have a duration of 6 months).
- *Object*: The operation and maintenance of the Thessaloniki metro network, including procurement, installation and commissioning of the related information system (ICT equipment).
- *Main obligations of THEMA S.A.*:
    - Definition of train shifts and service scheduling according to the contractual guidelines;
    - Preventive and corrective maintenance of trains, facilities and equipment. All the network and the train fleet, including spare parts, will be made available by EM;
    - procurement, installation, testing and commissioning of the Information System (IT/ERP) supporting the operation and the related services;
    - Recruiting and training of the staff;
    - Definition of safety procedures and management of emergencies;
    - Cleaning services;
    - Fare related services: ensuring the operation of the existing fare collection system, ticket availability, maintenance of the relevant equipment, fare collection and transfer of fare revenues to EM;
    - provision of information to the users;
    - management of customer service;
    - payment of electricity costs.
- *Revenues*: the Thessaloniki O&M Contract is operated on a gross cost basis. THEMA S.A. will receive a fee from EM, to be paid in monthly instalments and subject to indexation by reference to certain costs. The payments from EM will be granted starting from the operation phase, therefore as of the opening of the Main Line. In any case, according to the financial model provided by the tender and part of the Thessaloniki O&M Contract, the payments cover also the costs borne by the operator during the current pre-operation phase.
- *Termination*: the Thessaloniki O&M Contract envisages some defaulting events of THEMA S.A. which may lead to the early termination of the agreement, such as disruption of metro service for 3 consecutive days without any alternative service offered, and an extended violation by THEMA

S.A.. Extended violation occurs in cases when the contractor repeatedly commits violations that entail penalties or deductions in monthly payments. In those cases, EM submits a first warning; if the violation continues or if the contractor repeats the violation in the following 3 months, EM may issue a final warning. In that case, the continuation of the violation for another 20 days or a repeated violation within the next 2 months causes a termination for contractor's liability. The cases of termination due to EM's liability includes termination for delayed payments, which is only possible if the sum due exceeds Euro 20 million, the delay of payment lasting for more than 2 months for the whole sum. After the elapse of the 2 months period, the contractor has the right to submit a notification, setting a deadline for payment of at least 30 working days. In any case, in the meantime between notification and termination, the contractor is obliged to provide commercial operation and maintenance (both preventive and corrective) services.

- *Penalties and bonuses*: These may apply in connection with service availability standards set out under the Thessaloniki O&M Contract and its annexes. In general terms, non-compliance with the key performance indicators (e.g.: quality of the service, non-compliance with the service scheduling, delay in the start of the operation of the Main Line and the Kalamaria Extension, etc.) will lead to a reduction of the monthly fees by EM. No bonuses are envisaged by the Thessaloniki O&M Contract.

Investments and Technological Innovation

The Group manages its capital expenditures in accordance with the provisions of the relevant operations and maintenance contracts governing the activities it carries out, with the aim of implementing its strategy and maintaining its market position in the local public transport market, while preserving an adequate financial structure. See also " – *Strategy*" above. From 2014 to 2023, the Group has invested more than Euro 1,4 billion, of which only less than Euro 0,4 million were covered by public contributions, while the remaining Euro 1 million was financed through the Group's cash flow from operations.

In accordance with the Group's investment plan for 2024-2026, investments are mainly targeted at its operations in the area of Milan and are aimed at:

- improving the underground and surface rolling stock, in order to achieve a higher service level, in terms of performance, safety, accessibility and comfort, and a more efficient and eco-friendly fleet, especially with the large full-electric bus transition program which aim to zero the CO_2 emission by 2030;
- developing new technologies in connection with the provision of LPT services and upgrading IT platforms and maintenance processes in order to improve service standards, leveraging on the technological innovations introduced in recent years in connection with mobile ticketing and provision of real-time information on the Group's services to the public;
- upgrading systems and equipment in connection with the development of the M2 metro line; and
- maintaining, repairing and upgrading the Group's properties and, in particular, developing depots for the vehicles fleet.

Financing

The medium- and long-term financial indebtedness of the Group as of 31 December 2023 was equal to Euro 173.8 million, of which Euro 169.0 million drawn down under a long-term facility agreement with the European Investment Bank (the "**EIB**"). In addition, in December 2023 ATM entered into a short-term bridge-to-bond financing of Euro 150 million ahead of the establishment of this EMTN programme.

EIB facility

The EIB financing was drawn under a Euro 220 million facility granted (the "**EIB Financing**") under a

long-term facility agreement dated 20 December 2012, subsequently increased to Euro 250 million on 30 June 2015 (the "**EIB Facility Agreement**").

The main terms of the EIB Facility Agreement are set as follow:

- *Purpose*: the EIB Facility Agreement was entered into for the purpose of financing certain capital expenditure of the Group and, in particular, the modernisation of the metro fleet operating on the M1 and M2 through the purchase of 60 new trains (the "**Project**");
- *Maturity and repayment requirements*: each drawdown under the EIB Financing is repayable in accordance with the instalment plan set out in the confirmation of utilisation issued by EIB and, in each case, the tranches have to be repaid within 25 years. Each tranche must be paid, on an annual, semi-annual or quarterly basis, on the dates specified under the confirmation of utilisation. The final instalment of the last tranche is due in 2038;
- *Prepayment*: voluntary prepayments are permitted and are subject to certain conditions, limitations and payment of breakage costs. There are also mandatory prepayment provisions in the event of, *inter alia*: (i) a reduction in costs under the Project; (ii) voluntary prepayment by ATM (including cancellation), in whole or in part, of any financing of other lenders; (iii) a change of control; (iv) illegality or change in law events; (v) an investment grade rating ceasing to be assigned to the City of Milan; and (vi) termination of the Milan Service Contract;
- *Interest rate*: for each tranche of the loan, the Issuer is entitled to decide between a fixed interest rate or a floating rate linked to Euribor, in both cases set by the competent EIB body per annum and including a margin of 6 basis points. The Issuer pays interest on a semi-annual basis;
- *Security and guarantees*: the EIB Financing is unsecured, but the City of Milan has provided a first demand guarantee on the payment obligations of the Issuer;
- *Covenants*: the EIB Facility Agreement contains certain customary positive and negative covenants; and
- *Events of default*: the EIB Facility Agreement contains customary events of default, including a cross default clause.

Revolving Credit Facility

Under a revolving credit facility agreement dated 21 December 2023 (the "**RCF Agreement**"), ATM was granted by a pool of banks a revolving credit facility for a maximum amount of Euro 160 million (the "**RCF**").

The main terms of the RCF Agreement are set as follow:

- *Purpose*: the RCF Agreement was entered into for the purpose of financing certain corporate needs relating to ATM's liquidity requirements;
- *Availability period*: the RCF may be utilised until 30 calendar days before 21 December 2027. However, the RCF Agreement provides for an extension option that could be exercised by ATM by 21 November 2027. In such case the RCF may be utilised until 21 December 2028;
- *Maturity and repayment requirements*: each drawdown shall be repaid by ATM on the due date established for the relevant interest period, and such payments shall be for the purpose of replenishing the total available amount;
- *Prepayment*: voluntary prepayments are permitted and are subject to certain conditions, limitations and payment of breakage costs. There are also mandatory prepayment provisions subject to, *inter alia*: (i) certain events relating to ATM's rating; (ii) termination or cancellation of

the Milan Service Contract; (iii) a change of control; (iv) illegality or change in law events;

- *Interest rate*: the applicable interest rate of the RCF is a floating rate linked to Euribor plus a margin, defined in accordance with the provisions of the RCF Agreement. In respect to each drawdown, ATM is entitled to decide to pay interest on a monthly, quarterly or semi-annual basis;
- *Security and guarantees*: the RCF is unsecured;
- *Covenants*: the RCF Agreement contains certain customary positive and negative covenants; and
- *Events of default*: the RCF Agreement contains customary events of default.

Debt securities

On 8 August 2017, ATM issued the "€70,000,000 1.875 per cent. Notes due 8 August 2024" (the "**Notes**"). The net proceeds of the issue of the Notes have been used by the Issuer to fund investments in accordance with the Group's investment plan.

Guarantees and security interests

As at 31 December 2023, the Group had outstanding guarantees in favour of third parties amounting to Euro 418,770 thousands, issued in the course of the ordinary business of the Group and in connection with the Issuer's involvement as a shareholder of Metro 5 and M4 SPV.

Suppliers

The Group's procurement processes and partnerships with suppliers are centrally managed by the purchasing department of the Issuer. In 2023, 1205 calls for tender were made, in line with 2022 numbers, despite the effect of the uncertainty of the legislative framework. In particular, the enactment of the new public contracts code (Legislative Decree No. 36/2023) led to an extensive review of the documentation for all purchasing activities (works, supplies and services), as well as a review of the contract awarding regulation approved by the Issuer's board of directors.

Internally, in accordance with Group policies and the principles of transparency and competitiveness, the individuals involved in the procurement process are generally provided with training in order to ensure that they operate in accordance with those policies and laws and regulations for work, supply and service contracts. The IT platforms created for full traceability of the authorisation process in the selection of contractors and subsequent administrative management support the whole procurement process.

Environmental, Safety and Security Matters

ATM has adopted health, safety and the environment management systems aimed at assessing risks, monitoring certain activities, continuously improving its performance and the efficiency of actions undertaken. The impact on safety and environment of the Group's activities are monitored in order to achieve compliance with regulatory requirements and correctly apply general control principles, such as segregation of duties, traceability, authorisation and signatory powers and compliance with the Group's policies, and specific control principles for every sensitive activity set out in the organisational model adopted pursuant to Decree 231 (as defined below).

ATM is implementing risk assessment and safety measures specifically for metro operation in order to comply with the new safety requirements issued by the Italian national safety authority which is supervising and monitoring safety measures and procedures for the Italian metro lines.

The Group operates in compliance with ISO standards as certified from time to time by the relevant certification bodies which regularly carry out audit activities on the Group's operations.

In addition, in Milan the Group deploys security personnel along the surface and metro lines, as well as

in car parks it operates, in order to protect its customers, employees and assets. The Group's security employees cooperate with law enforcement personnel in accordance with procedures jointly developed by the Group and relevant law enforcement agencies.

Information Technology and Cybersecurity

ATM has recognized its information and assets as a critical factor to achieve business objectives, being aware that the protection of technological assets is a mandatory condition to guarantee operations and increase efficiency and competitiveness.

For such reasons, since the beginning of processes, services and technological demand, in relation to the digital transformation of the local transportation sector, the evolution of information and communication technology ("**ICT**") management ATM draws on international best-practices for its ICT management and implements cybersecurity controls by following the *"principles of security by design* and *security by default"*. This *modus-operandi* allows ATM's systems to respond to potential threats and any attacks that may affect confidentiality, integrity and availability of corporate information, strategic technological assets and intellectual property.

In line with the evolution of the ICT security framework, ATM has designed and developed – in accordance with the internal compliance system – processes that ensure an adequate level of physical, logical and organizational security. These processes are monitored by key performance indicators enabling reviews and continual improvement in terms of operation and cybersecurity management systems.

The adoption of technical and organizational measures appropriate and proportionate to risk management is a fundamental activity both for the strengthening of the capacity of defence and resilience of the infrastructures and for guaranteeing a high standard of reliability and quality of the service offered.

ATM has therefore developed *a* cybersecurity management strategy according to an integrated multi-level approach (operational, management and strategic) for operational continuity, information security and data protection.

Consequently, the organized structure has evolved with a view to ensuring, both at the governance and operational management levels, all the necessary functional safeguards for an effective protection of ICT and information assets.

Customers

ATM manages the sale and distribution of travel tickets on behalf of the City of Milan. Customers can purchase their tickets both through physical outlets (e.g. shops, ATM points, automatic ticket machines and parking meters) and virtual ones (e.g. mobile ticketing systems). See also " – *Investments and Technological Innovation*" above.

Communications from customers are managed by the customer service office of the Group. The procedure for addressing complaints is part of the quality and environment management system in accordance with standards UNI EN ISO 9001 and 14001 and is periodically assessed.

Regulatory Framework

Most of the Issuer's operations fall within heavily regulated sectors. See the section of this Base Prospectus entitled "*Regulatory Framework*".

Legal Proceedings

From time to time the Group is involved in claims arising in the ordinary conduct of its business, including civil, labour, governmental, administrative, antitrust and tax proceedings. As of 31 December 2023, the Group had set aside provisions for risks (including risks arising from legal proceedings) on its balance

sheet for Euro 83,019 thousands. For additional information, please refer to the paragraph "*Provisions for risks and charges*" under the section "*Consolidated explanatory notes*" of the Issuer's 2023 Audited Consolidated Annual Financial Statements, which are incorporated by reference in this Base Prospectus.

Employees

At 31 December 2023, employees of the Group totalled 10,331, compared to 10,473 at 31 December 2022. The net decrease is the net result of 603 incoming employees, 746 outgoing employees and 1 of other positive variation.

The table below sets forth the number of the Group's employees broken down in categories as at 31 December 2023.

Employees	**As at 31 December 2023**
Directors	38
Managers/Middle Managers	441
Office workers	1,009
Blue collars	8,843
Total	**10,331**

The Issuer continuously manages relations with the relevant trade unions and employees' representative bodies. The industrial relations system of the Group focuses on consultation policies, which constitute the primary tool for the promotion of employee participation through their representatives, in the pursuit of strategic objectives and for the prevention and resolution of possible conflicts.

The Group has implemented employee development policies aimed at providing its employees technical updating, safety training and training related to customer relations.

In addition, the Group has implemented an innovative welfare system, with the aim of improving the individual well-being and organisation of its employees. The welfare system encompasses the following areas:

- services;
- work-time flexibility;
- corporate culture and managerial training; and
- family financial aid.

Corporate Governance

The Issuer has opted for a traditional system of corporate governance, which comprises the shareholders' meeting, the Board of Directors and Board of Statutory Auditors. The Board of Directors has the widest possible powers in order to perform the ordinary and extraordinary management of the Issuer. It is authorised to carry out all the acts it deems necessary or appropriate to achieve the Issuer's corporate purpose, with the sole exception of those powers expressly reserved to the shareholders' meeting under applicable law or ATM's by-laws.

The City of Milan, as sole shareholder, has the power to appoint all the members of the Board of Directors directly. All the members of the Board of Directors, whether appointed by a shareholders' meeting resolution or directly by the City of Milan, have the same rights and obligations, are appointed for a term of three financial years and may be reappointed.

The Board of Directors has delegated part of its management responsibilities to the Chief Executive

Officer and General Manager.

On 27 February 2024, the shareholders' meeting resolved to amend ATM's by-laws to ensure the better functioning of corporate bodies and effectiveness of corporate action in the development of new initiatives, both in Italy and abroad. Such amendments include the increase of the maximum number of directors from five to seven. This is in order to facilitate more effective management and to allow the establishment within the Board of Directors of internal committees with propositional and advisory functions to assist the corporate body in specific areas of activity. In such a case, the scope of activities assigned to these committees and their rules of operation would be defined by a special resolution.

The Board of Statutory Auditors is responsible for monitoring compliance with the law and the Issuer's by-laws, compliance with the principles of proper administration and, in particular, the adequacy of the organizational, administrative and accounting structure adopted by the company and its actual operation.

Legislative Decree No. 231 of 8 June 2001, as amended ("**Decree 231**") provides for direct administrative liability of legal entities, companies and associations for certain offenses committed by their representatives and encourages companies to adopt corporate governance structures and risk prevention systems to prevent managers, executives, employees and external collaborators from committing offenses. Pursuant to Decree 231, the Board of Directors has appointed an independent supervisory board ("***Organismo di Vigilanza***") charged with the task of (i) monitoring compliance with Decree 231 and (ii) proposing necessary updates to the organisational model of the Issuer. In order to supervise the actions of top management adequately, the *Organismo di Vigilanza* must remain fully autonomous.

Management

Board of Directors

On 19 April 2023, the City of Milan, as sole shareholder and in accordance with its powers under article 2449 of the Italian Civil Code and the Issuer's by-laws, appointed the Board of Directors for a period of three financial years. Unless a cause of early termination of their office occurs, all the members will remain in office until the date of the shareholders' meeting called to approve the Issuer's financial statements for the year ending 31 December 2025.

It is expected that, within the end of the financial year 2024, the shareholders' meeting of ATM will appoint two additional directors so as to reach the total number of seven directors.

The following table sets out the current members of the Issuer's Board of Directors, their respective positions within the Issuer and the positions held by them other than those within ATM.

Name	Position	Main positions held outside the Issuer
Gioia Maria Ghezzi	Chairwoman	• Assolombarda, Italy: Deputy Chairwoman with responsibility for Infrastructure, Mobility & Smart City; • Milano Smart City Alliance: Chairwoman; • Assonime, Italy: member of the Board of Directors; • Ternium S.A. (Techint group): member of the Board of Directors, member of the Audit Committee;

Name	Position	Main positions held outside the Issuer
		• Gardant S.p.A. (Elliott Management Corporation group): member of the Board of Directors; • MagicLand S.p.A. (Pillarstone KKR group): member of the Board of Directors; • Sirti S.p.A. (Pillarstone KKR group): member of the Board of Directors, Member of the Strategic Committee.
Arrigo Emilio Giana	Chief Executive Officer	• ATAC S.p.A.: member of the Board of Directors; • AGENS (*Agenzia Confederale dei Trasporti e Servizi Presidente*): Chairman; • Consorzio Full Green: member of the Board of Directors.
Pietro Galli	Director	• La Cinque G S.r.l.: shareholder and member of the Board of Directors; • Uteco Converting S.p.A.: Deputy Chairman; • T39 S.p.A.: Chief Executive Officer; • Isola Longa S.r.l.: Chief Executive Officer; • Dea Capital Alternative Funds SGR S.p.A: member of the Board of Directors; • Finalter S.r.l.: member of the Board of Directors; • Centurion Newco S.p.A.: member of the Board of Directors; • Overit S.p.A.: member of the Board of Directors; • Engineering - Ingegneria Informatica S.p.A.: member of the Board of Directors.
Alessia Maria Mosca	Director	• Crédit Agricole S.A., Paris: member of the Board of Directors.
Bruno Pavesi	Director	• Salcef Group S.p.A.: member of the Board of Directors; • SIT S.p.A.: member of the Board of Directors; • F.lli De Cecco di Filippo Fara S. Martino S.p.A.: member of the Board of Directors; • Febo S.p.A.: member of the Board of Directors;

Name	Position	Main positions held outside the Issuer
		• Aristoncavi S.p.A.: Chairman; • Fondazione Accademia Teatro alla Scala: member of the Board of Directors.

The business address of the members of the Board of Directors is the Issuer's registered office at Foro Buonaparte 61, 20121 Milan, Italy.

Senior managers

The management structure of the Group provides for several senior managers reporting to the General Manager of the Group. As of the date of this Base Prospectus, the General Manager of the Group is Mr. Arrigo Emilio Giana.

The following table sets out the senior managers of the Group, their respective positions within the Group as well as the main positions they held outside the Issuer as at the date of this Base Prospectus.

Name	Position	Main positions held outside the Issuer
Diana D'Alterio	Audit and Internal Control	N/A
Micaela Vescia	General Counsel	• Piaggio & C. S.p.A.: member of the Board of Directors; • Metro 5 S.p.A.: member of the Board of Directors; • Thema S.A.: Chairwoman of the Board of Directors; • Fondazione ATM: Vice Chairwoman; • Poliambulatorio Fondazione ATM S.r.l.: Vice Chairwoman.
Laura La Ferla	Institutional Relations and Communication	N/A
Paolo Ferrara	Information Systems	N/A
Patrizia Maria Samoggia	Administration, Finance and Control	• GeSAM S.r.l.: Sole Director; • NET S.r.l.: member of the Board of Directors; • Citylink S.r.l. – Smart mobility by ATM: Chairwoman of the Board of Directors.
Roberta Segalini	Human Resources and Quality, Health, Safety and Environment	• Rail Diagnostics S.p.A.: Chairwoman of the Board of Directors; • Thema S.A.: member of the Board of Directors.
Paolo Marchetti	Business Development	• CityLink S.r.l. – Smart mobility by ATM:

Name	Position	Main positions held outside the Issuer
		member of the Board of Directors.
Arianna Fabri	Strategy and Commercial Development	• Aero Club Milano (*Associazione Sportiva Dilettantistica*): Chairwoman of the Board of Statutory Auditors
Alessandro Martinoli	Procurement	N/A
Roberto Conte	Engineering and Rolling Stock Maintenance	• Rail Diagnostics S.p.A.: member of the Board of Directors with delegated powers.
Massimiliano Riboli	Infrastructure Maintenance	• Rail Diagnostics S.p.A.: member of the Board of Directors with delegated powers.
Amerigo Del Buono	Operations	• M4 S.p.A.: Chief Executive Officer; • Metro 5 S.p.A.: member of the Board of Directors; • Thema S.A.: member of the Board of Directors.

The business address of the senior managers is the Issuer's registered office at Foro Buonaparte 61, 20121 Milan, Italy.

Board of Statutory Auditors

The shareholders' meeting held on 4 August 2022 appointed the Board of Statutory Auditors for a period of three financial years until the date of the shareholders' meeting called to approve ATM's financial statements for the year ending 31 December 2024.

The following table sets out the current members of the Issuer's Board of Statutory Auditors and the positions held by them other than those within ATM.

Name	Position	Main positions held outside the Issuer
Salvatore Rino Messina	Chairman	• Errepi S.p.A: Chairman of the Board of Statutory Auditors; • Nitram S.r.l.: auditor; • Fondazione AEM E.T.S. – ETS: auditor; • Corporate Integrity Monitor S.r.l. Impresa sociale: member of the Board of Statutory Auditors; • NET S.r.l.: Chairman of the Board of Statutory Auditors; • Movibus S.r.l.: deputy member of the Board of Statutory Auditors.

Name	Position	Main positions held outside the Issuer
Stefano Brambilla	Statutory Auditor	• Trasmeccanica S.p.A.: member of the Board of Statutory Auditors; • Immobiliare Fiori S.p.A.: deputy member of the Board of Statutory Auditors; • Società Azionaria Trasmeccanica S.p.A.: deputy member of the Board of Statutory Auditors; • Azienda Speciale Consortile Servizi alla Persona: Chairman of the Board of Auditors; • PGA S.p.A.: deputy member of the Board of Statutory Auditors; • Fondazione IRCCS Istituto Nazionale dei Tumori: auditor.
Antonella Andreina Conti	Statutory Auditor	N/A

Monica Mannino	Alternate Statutory Auditor	• ERG S.p.A.: chairwoman of the Board of Auditors; • Istituto Stomatologico Italiano: member of the Board of Statutory Auditors; • North Sails Apparel S.p.A.: member of the Board of Statutory Auditors; • Towers Watson Italia S.r.l.: deputy member of the Board of Statutory Auditors; • Crisscross Communications (Italy) S.r.l.: deputy member of the Board of Statutory Auditors; • Fiera Milano S.p.A.: Chairwoman of the Board of Auditors; • Willis Italia S.p.A.: deputy member of the Board of Statutory Auditors; • Made Eventi S.r.l.: member of the Board of Statutory Auditors; • luxmaster S.p.A.: member of the Board of Statutory Auditors; • Erasteel Alloys Italia S.r.l.: chairwoman of the Board of Auditors; • Hydro Project S.p.A.: deputy member of the Board of Statutory Auditors; • Akkadueo S.p.A.: deputy member of the Board of Statutory Auditors; • Irex S.p.A.: deputy member of the Board of Statutory Auditors; • Vertical Lift Holding S.p.A.: deputy member of the Board of Statutory Auditors; • Schema Iride S.p.A.: deputy member of the Board of Statutory Auditors; • Corvallis S.r.l.: Chairwoman of the Board of Auditors; • Tinexta S.p.A.: member of the Board of Statutory Auditors; • Tinexta Cyber S.p.A.: Chairwoman of the Board of Auditors; • Diasorin S.p.A.: Chairwoman of the Board of Auditors.

Name	Position	Main positions held outside the Issuer
Eleonora Jolanda Negruzzi	Alternate Statutory Auditor	Area Sud Milano S.p.A.: member of the Board of Directors.

The business address of the members of the Board of Statutory Auditors is the Issuer's registered office at Foro Buonaparte 61, 20121 Milan, Italy.

Conflicts of Interest

Except for what is stated below, there are no potential conflicts of interest between any duties towards ATM of the members of the Board of Directors, members of the Board of Statutory Auditors and Senior Managers of the Issuer and their private interests and/or other duties.

Share Capital and Shareholders

The Issuer's share capital as at 31 December 2023 amounted to Euro 700,000,000, fully paid-up, divided into 70,000,000 shares with a nominal value of Euro 10 each. There have been no changes to the Issuer's share capital since 31 December 2023. The entire share capital of the Issuer is held by the City of Milan. The Issuer is not subject to direction and coordination by the City of Milan pursuant to article 2497 of the Italian Civil Code.

Independent Auditors

At the shareholder's meeting held on 9 November 2017, Deloitte & Touche S.p.A. was appointed as auditors of the Issuer for the fiscal years 2017 to 2025. Deloitte & Touche S.p.A. has its registered office at Via Tortona 25, 20144 Milan, Italy and is registered under No. 132587 in the Register of Accountancy Auditors (*Registro dei Revisori Legali*) held by the Italian Ministry of Economy and Finance, in compliance with the provisions of the Legislative Decree No. 39 of 27 January 2010. Deloitte & Touche S.p.A. is also a member of ASSIREVI, the Italian association of auditing firms.

The audited consolidated financial statements of the Issuer which relate to the financial years ended 31 December 2022 and 31 December 2023 incorporated by reference in the Base Prospectus were audited by Deloitte & Touche S.p.A., and their independent auditors' reports on the audited consolidated financial statements are also incorporated by reference in this Base Prospectus.

The Internal Control and Risk Management System and ERM Risk Management

The ATM Corporate Governance System, based on the principles of integrity, transparency and correctness, is fundamental for the good functioning of the Issuer since it allows to define clear rules for the implementation of strategic guidelines, thus supporting the relationship of trust with stakeholders and contributing to sustainable success.

The values that ATM recognizes as fundamental in the performance of the business, and that it shares at all levels of the organization, are expressed in the Code of Ethics, in the Decree 231 organisational models of ATM and of the directly controlled companies and in the anti-corruption model, in force from time to time. In this structure, the Issuer carries out management and coordination activities, pursuing - in full respect of the management autonomy of the individual companies - a policy of unitary management, through the application and integration of the rules, principles and values that characterize the Group.

The Internal Control and Risk Management System ("**ICRMS**") adopted by the Group consists of the set of rules, procedures and organizational structures aimed at effective and efficient identification, measurement, management, monitoring and reporting of the main business risks, in order to contribute to the Group's long-term sustainable success.

This ICRMS is a fundamental and essential element of the Corporate Governance System of the Group.

The system, in line with the regulations and the reference leading practices, gives to all the corporate functions a clear place within the three lines of defence, thus being, in practice, focused on coordination between the different players involved in the ICRMS, in order to maximize the efficiency of the system itself.

An Enterprise Risk Management System ("**ERM model**") has been adopted within the framework of the ICRMS aimed at promoting and managing the integrated business risk management process for all the companies of the Group - in line with national and international best practices, and in particular with the COSO Framework and ISO31000 reference models, and related updates.

The ERM model adopted by the Group provides for an integrated, transversal and dynamic risk assessment that enhances existing management systems and supports the risk-based analyses provided by the specific reference standards and regulations. It is also integrated with the strategic planning process and provides for periodic cross-functional sharing of mapped risks.

The ERM system helps to improve the efficiency and effectiveness of business processes, with the main objective being to safeguard corporate assets. The appropriate identification, evaluation - including in perspective -, management and mitigation of risks, in line with the strategic guidelines, favours the pursuit of short- and medium-long-term objectives.

REGULATION

The main legislative and regulatory measures applicable to Issuer's regulated business in Italy are summarised below. Although this overview contains the main information that the Issuer considers material in the context of the issue of the Notes, it is not an exhaustive account of all applicable laws and regulations. Prospective investors and/or their advisers should make their own analysis of the laws and regulations affecting the Issuer and of the impact they may have on an investment in the Notes and should not rely only on this overview.

REGULATORY FRAMEWORK ON THE LOCAL PUBLIC TRANSPORT (LPT)

European framework

At EU level, the Local Public Transport (the "**LPT**") is regulated by Regulation (EC) No. 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and by road, as amended by Regulation (EU) 2016/2338 of the European Parliament and of the Council of 14 December 2016 (the "**EC Regulation No 1370/2007**"). This Regulation, which entered into force on 3 December 2009, aims to create an internal market for the provision of public passenger transport services by complementing the general rules on public procurement. Furthermore, EC Regulation No 1370/2007 also sets out the conditions under which compensation payments and exclusive rights[12] granted by the relevant competent authority – in return for the discharge of public service obligations provided under the relevant public passenger transport services contracts – shall be deemed compatible with the internal market and exempt from prior State aid notification to the European Commission.

The application of EC Regulation No 1370/2007 has been also better clarified by means of the Communication of the Commission No. 2014/C 92/01, which provides certain interpretative guidelines.

As a general rule, pursuant to EC Regulation No 1370/2007, the provision of LPT services is regulated under public service contracts.

According to Article 2(i) of EC Regulation No 1370/2007, a public service contract consists of *"one or more legally binding acts confirming the agreement between a competent authority and a public service operator to entrust to that public service operator the management and operation of public passenger transport services subject to public service obligations"*. The contract may also consist of a decision adopted by a competent authority taking the form of an individual legislative or regulatory act or containing conditions under which the competent authority itself provides the services or entrusts the provision of such services to an internal operator. The notion of "public service contract", as defined by EC Regulation No 1370/2007, also includes public service concessions.

Pursuant to Article 3.1 of EC Regulation No 1370/2007, when a competent authority decides to grant the operator of its choice an exclusive right and/or compensation, of whatever nature, in return for the discharge of public service obligations, it shall do so within the framework of a public service contract.

Such public service obligations could also be integrated by establishing maximum tariffs to be applied in the context of a public service contract. In these cases, the competent authority shall compensate the public service operators for the net financial effect – positive or negative – on costs incurred and revenues generated in complying with the tariff obligations (so as to avoid overcompensation).

Pursuant to Article 4.3 of EC Regulation No 1370/2007, the duration of public service contracts shall be limited and shall not exceed 10 years for coach and bus services and 15 years for passenger transport services by rail or other track-based modes. The duration of public service contracts relating to several

[12] Pursuant to Article 2.(f) 'exclusive right' means a right entitling a public service operator to operate certain public passenger transport services on a particular route or network or in a particular area, to the exclusion of any other such operator.

modes of transport shall be limited to 15 years, if transport by rail or other track-based modes represents more than 50% of the value of the services in question.

Without prejudice to the above, the duration of the contract can be longer depending on the time needed to amortize the investments made by the LPT operator.

Indeed, Article 4.4 of EC Regulation No 1370/2007 provides that, if justified by the amortization of capital in relation to exceptional infrastructure, rolling stock or vehicular investment, and if the public service contract is awarded in a fair competitive tender procedure, a public service contract may exceed the time-limit provided under Article 4.3.

Moreover, having regard to the conditions of asset depreciation, the duration of a public service contract may be extended by a maximum of 50% if the public service operator provides assets which are both significant in relation to the overall assets needed to carry out the passenger transport services covered by the public service contract and linked predominantly to the passenger transport services covered by the contract.

As far as the awarding of LPT contracts is concerned, EC Regulation No 1370/2007 allows local competent authorities to provide LPT services (i) themselves, (ii) to award a LPT contract directly to an internal operator (i.e. in-house providing), or (ii) to award a LPT contract to a third party.

In particular, according to Article 5.2 of EC Regulation No 1370/2007 the in-house providing consists of the award of a LPT contract directly to a legally distinct entity over which the competent local authority (or in the case of a group of authorities at least one competent local authority) exercises control similar to that exercised over its own departments. In such a case the following shall apply:

a) for the purposes of determining whether the competent local authority exercises control, factors such as the degree of representation on administrative, management or supervisory bodies, specifications relating thereto in the articles of association, ownership, effective influence and control over strategic decisions and individual management decisions shall be taken into consideration. In accordance with EU law, 100% ownership by the competent public authority, in particular in the case of public-private partnerships, is not a mandatory requirement for establishing control, provided that there is a dominant public influence and that control can be established on the basis of other criteria;

b) the internal operator (and any entity over which this operator exerts even a minimal influence) must perform its public passenger transport activity within the territory of the competent local authority, notwithstanding any outgoing lines or other ancillary elements of that activity which enter the territory of neighbouring competent local authorities, and may not take part in competitive tenders concerning the provision of public passenger transport services organised outside the territory of the competent local authority;

c) notwithstanding point (b), an internal operator may participate in fair competitive tenders as from two years before the end of its directly awarded public service contract under the condition that a final decision has been taken to submit the public passenger transport services covered by the internal operator contract to fair competitive tender and that the internal operator has not concluded any other directly awarded public service contract.

On the other hand, if a competent authority decides to award a LPT service contract to a third party other than an internal operator, Article 5.3 of EC Regulation No 1370/2007 requires, as a general rule, that the award of such LPT contract – unless certain specific exceptional circumstances provided for by the same EC Regulation No 1370/2007 apply – must occur through a fair, open, transparent and non-discriminatory competitive tender procedure. In this case, the general principles of the Treaty on the Functioning of the European Union ("**TFEU**"), such as the principles of transparency and non-discrimination, shall apply, whilst the more detailed procedural rules on public procurement, such as

Directives 2014/24/EU and 2014/25/EU, or Directive 2014/23/EU on concessions, although not mandatory, may be applied if Member States so decide.

In case a tender procedure is launched for the award of a public service contract, competent authorities may decide to take appropriate measures to ensure effective and non-discriminatory access to suitable rolling stock. Such measures, pursuant to Article 5a of Regulation No 1370/2007, may include:

a) the acquisition by the competent authority of the rolling stock used for the execution of the public service contract with a view to making it available to the selected public service operator at market price or as part of the public service contract;

b) the provision by the competent authority of a guarantee for the financing of the rolling stock used for the execution of the public service contract at market price or as part of the public service contract, including a guarantee covering the residual value risk;

c) a commitment by the competent authority in the public service contract to take over the rolling stock at predefined financial conditions at the end of the contract at market price; or

d) cooperation with other competent authorities in order to create a larger pool of rolling stock.

Italian National framework

The Italian legal framework on local public services is set forth by the recently enacted Legislative Decree No. 201/2022, also known as the Unified Text of Local Public Services (*Testo Unico di riordino della disciplina dei servizi pubblici locali di rilevanza economica* - the "**TUSPL**").

Pursuant to Article 14 of the TUSPL, whenever local entities or other competent public entities intend to entrust local public services to single operators or to a limited amount of operators, such entrustment must take place through one of the following methods:

a) a public tender procedure carried out in accordance with public procurement laws and regulations (favouring, whenever possible, the use of service concessions);

b) entrustment to mixed companies, in compliance with Legislative Decree No. 175/2016;

c) entrustment to in-house companies;

d) as far as services different from network services are concerned, direct management by the interested public entity or through the special companies (*aziende speciali*) regulated by Article 114 of Legislative Decree No. 267/2000.

In addition to the above, pursuant to Article 18 of the TUSPL, local authorities can establish partnerships with third sector entities (*enti del terzo settore*), in compliance with the provisions of Legislative Decree No. 117/2017, for the implementation of specific service or intervention projects functionally related to a local public service.

For the purpose of choosing the method of entrusting the service, the local entity or other public administration shall take into account: (i) the technical and economic characteristics of the service to be provided, including aspects relating to service quality and infrastructure investment, (ii) the status of public finances, (iii) the costs to the local entity and users, (iv) the expected results in relation to the different alternatives, also with reference to comparable experiences, and (v) the results of any previous management of the same service in terms of effects on public finance, quality of the service provided, costs to the local authority and users, and investments carried out.

The abovementioned evaluations and the related outcomes must be illustrated in a specific report to be published on the interested local entity's and ANAC's websites.

Lastly, pursuant to Article 19 of the TUSPL, the duration of the entrustment is determined by the competent entrusting authority in proportion to the magnitude and duration of the investments proposed by the entrustee. If the duration is less than the time needed to amortize the investments made under the service contract or in the event of early termination, the local public service operator will be entitled to compensation, borne by the successor.

With regard to the territorial organisation of local public services (such as the LPT service) in general, Article 3-*bis* of Law Decree No. 138/2011 provides that local public services must be assigned on an optimal and homogeneous territorial areas (*ambiti territoriali ottimali e omogenei*) basis. The authority competent for the relevant geographical area (*ambito territoriale*) is responsible for the organisation, awarding and management of local public services and for determining the tariffs.

The above entails that, based on Law Decree No. 138/2011, any subsequent entrustment of local public services (including LPT) must be carried out by the Authority competent for the whole homogeneous geographical area (and thus not by the single municipalities or local authorities included therein) and will concern the whole territory of that basin.

With specific regards to LTP, this is regulated, at a national level, under Legislative Decree No. 422/1997 (the "**LD 422/97**"), which identified the functions and tasks of the regions and local entities (i.e. provinces, municipalities, metropolitan cities and their unions (*unioni*)) in relation to organisation, investments, minimum service levels, and public service obligations.

Pursuant to Article 18 of LD 422/97, as subsequently amended, the provision of LPT services is regulated by service contracts having a duration not exceeding 9 years and it shall comply with the principles of cost-effectiveness and efficiency. In particular, in order to enhance competition in the LPT market, LPT service contracts must be awarded through competitive selection procedures, which shall take into account the elements of the LPT service contracts set out under Article 19, and namely:

a) duration;

b) characteristics of the services offered and operation program;

c) minimum qualitative standards of the service (in terms of age, maintenance, comfort and cleanliness of the vehicles as well as timeliness of the routes);

d) tariff structure and yearly updating criteria;

e) the amount, if any, due by the public entity to the operator as "public service compensation" for the provision of the service and terms of payment as well as any variation due to changes to the tariff structure. Such public service compensation must be determined by applying the standard cost criteria, which shall be used as bidding price during the tender procedure, and which shall take into account the revenues arising from the tariffs and those from the management of ancillary services;

f) mechanism for amending the service contract during its validity;

g) guarantees to be provided by the operator;

h) sanctions in case of breach of contract;

i) employment and investment variations, in case of heavy discontinuity in the quantity of service required during the validity of the contract; and

j) obligation to apply the relevant national collective employment contracts.

LPT service contracts must ensure complete correspondence between burdens for the provision of the service and resources available, net of the tariff revenues, and must be entered into prior to the commencement of the relevant service.

As far as the duration of single local public service contracts is concerned, the matter was affected by a number of provisions adopted, at a national level, in response to the Covid-19 pandemic. Among these provisions, it is worth highlighting the following:

- Article 92, par. 4-*ter* of Law Decree No. 18/2020, which provided for the possibility for public administrations to extend existing LPT contracts for up to 12 months after the termination of the health emergency;
- Article 24, par. 5-*bis* of Law Decree No. 4/2022, pursuant to which, in order to: (i) support local and regional public transport operators; (ii) mitigate the negative effects resulting from the measures taken to tackle the COVID-19 emergency; and (iii) support investments, the competent authorities may apply Article 4.4 of EC Regulation No 1370/2007, also in the event that the LPT operator undertakes to carry out significant investments, also in execution or in addition to the interventions pertaining to the National Recovery and Resilience Plan or other financial instruments, oriented to environmental sustainability and improvement of passenger transport services, having a payback period longer than the expiration of the entrustment. In this case, the extension referred to in the aforementioned Article 4.4 may in any case not exceed the deadline of December 31, 2026. In this latter respect, for the purpose of calculation, the overall duration of the entrustment shall be taken into account, cumulative also of all measures already adopted in accordance with the aforementioned EC Regulation No 1370/2007.

Authority for the Regulation of Transport

By Article 37 of Law Decree No. 201/2011 (converted into law by Law 214/2011), the Italian Government has established the national Transport Regulation Authority (*Autorità di Regolazione dei Trasporti* – "**ART**"). The main tasks of the ART are, *inter alia*: (i) the general regulation of the transport sector; (ii) the regulation of access to the transportation infrastructure and ancillary services; (iii) the definition of the quality levels of transport services; and (iv) the definition of the minimum content of the rights that users can claim against the transport operators. The ART reports annually to the Italian Parliament on the status of the liberalization process of the transportation sector and on the further liberalization measures to be adopted. The first board of the ART has been appointed by means of Presidential Decree dated 9 August 2013 and began its activities in September 2013.

By resolution No. 49/2015 (the "**ART Resolution 49/15**"), as subsequently amended by resolutions No. 154/2019, No. 65/2020, No. 33/2021, No. 113/2021 and No. 35/2022, the ART issued the guidelines for the drafting of the tender documentation and relevant service contracts relating to the awarding of LPT services. The ART Resolution 49/15, as amended, provides specific indications as to, *inter alia*: (i) the criteria to identify the assets that are to be considered as "instrumental" to the LPT service, which include, amongst others, the rail network, infrastructures, equipment, rolling stock, as well as all hardware and software necessary for the control and management of the network; (ii) the criteria to be applied in order to qualify instrumental assets as essential, indispensable or commercial; (iii) the way the assets qualified as essential and indispensable are to be made available to the awarded LPT service operator; (iv) the criteria to determine the termination value to be paid to the outgoing concessionaire by the new LPT service operator in relation to the assets owned by the outgoing concessionaire and that must be made available to the new operator; (v) the time to be granted to the new operator to obtain the rolling stock from the relevant manufacturers; (vi) the treatment applicable to the employees of the outgoing concessionaire.

More in detail, the ART Resolution 49/15, as amended, provides that the competent authorities must, before starting a procedure for the entrustment of a LPT contract, identify the assets which are "instrumental" (*strumentali*) to the LPT service. The instrumental assets must then be classified, depending on their characteristics, as essential or indispensable assets or commercial assets.

With respect (only) to essential or indispensable assets, guarantees must be provided by the competent authority on the full availability of the same, or of assets with similar characteristics, from the moment in which the service contract becomes effective; access to the aforementioned assets must also be ensured, including for any training activities, in due time before the starting of the service by the incoming operator.

In case of (i) availability of essential or indispensable assets owned by the outgoing operator, resulting from a regulatory measure or a provision of the service contract, or (ii) constraints on the use of assets or on the basis of a negotiated agreement, such assets shall be made available by the outgoing operator in the following manner:

a) lease or transfer of ownership, or other form of legally binding agreement;

b) access to the assets and related services.

The take-over value of the assets owned by the outgoing operator, or any third parties, to be transferred to the new operator shall be identified on the basis of market value, according to the criteria set forth by the ART.

More in detail, the market value of real estate, facilities, or other comparable capital equipment shall be determined by the owner through the use of sworn expert estimates that determine the price within the maximum and minimum values published by the Italian Tax Authority (*Agenzia delle Entrate*). The appraisal takes into account the market value of the asset, in its current state, as well as the net book value and the reconstruction or repurchase value of the same or similar asset, if it can no longer be reproduced.

The take-over value of rolling stock for road transport service is determined on the basis of data made available by the owner, with reference to the higher of the residual or net book value, resulting from the application of national or international accounting standards adopted by the owner and certified by an auditor or auditing company, and the market value, subject to a maximum deviation limit of 5% in case the residual or net book value is higher than the market value.

The takeover value of rolling stock for rail, metro and streetcar service shall be determined on the basis of the data made available by the owner with reference to the residual or net book value, determined in application of the national or international accounting standards adopted by the owner and certified by an auditor or auditing company.

The value of technology systems is determined on the basis of data made available by the owner, with reference to the higher of the residual or net book value, resulting from the application of national or international accounting standards adopted by the owner and certified by an auditor or auditing company, and the market value.

In the event that leased assets are to be assigned to the incoming operator, the documents governing the assignment procedure shall specify the fees, lease terms, including the obligation for routine maintenance, and other contractual clauses relating to each asset. The annual rent shall be quantified with reference to the market value criterion.

Moreover, pursuant to the ART Resolution 49/15, as subsequently amended, the competent awarding authority must provide for the recognition to the incoming operator, for the performance of the service encumbered by public service obligation and as a measure of reasonable profit margin, the value of the rate of return on net invested capital defined by ANAC, annually published on its institutional website and periodically updated.

The provisions of the ART Resolution 49/15 were implemented by the Lombardy Region through Resolution of the Regional Board (*Giunta Regionale*) No X/4927 of 14 March 2016, which contains regional guidelines for the awarding of the LPT service as well as for the drafting of the relevant service contract (the "**Regional Guidelines**").

It should be noted that, through resolution No. 90/2023, the ART initiated a proceeding for the adjustment of the resolution No. 154/2019 (which amended and implemented the ART Resolution 49/15) to the provisions of the TUSPL. This proceeding is still ongoing at the date of this Base Prospectus.

Regional framework

The above European and national framework has been implemented in the Region of Lombardy by Regional Law No 6/2012 (the "**RL 6/2012**").

In compliance with Article 3-*bis*, first paragraph of Law Decree No. 138/2011, Article 7 of the RL 6/2012, as amended by means of Regional Law No. 19/2015, identified six optimal and homogeneous territorial basins (*bacini territoriali ottimali e omogenei*) within the Region, corresponding to the territory of the following Provinces:

a) Bergamo;

b) Brescia;

c) Como, Lecco and Varese;

d) Cremona and Mantua;

e) Metropolitan City of Milan (correspondent to the former Province), Monza and Brianza, Lodi and Pavia; and

f) Sondrio.

Within each optimal and homogeneous territorial basin a specific LPT agency (*Agenzia per il Trasporto Pubblico Locale*, "**LPT Agency**") has been set up with the task of programming, organising, monitoring and promoting LPT services on behalf of the relevant local entities.

Such LPT Agencies are, *inter alia*, responsible for (i) approving the tariff system for the basin and determining the relevant tariffs, (ii) planning and managing of the financial resources allocated to LPT, (iii) awarding of the LPT service in the basin and (iv) executing the LPT service contracts and monitoring the correct fulfilment of the obligations thereunder by the relevant operators.

The LPT Agency for the territory of the Metropolitan City of Milan, Monza and Brianza Province, Lodi Province and Pavia Province has been appointed – in the form of a non-economic public entity (*ente pubblico non economico*) fully participated by public administrations – by means of the Decree of the Regional Minister for transport (*Decreto dell'Assessore Regionale ai trasporti*) dated 27 April 2016. Such Decree of the Regional Minister for transport also approved the statute of the LPT Agency for the territory of the Metropolitan City of Milan, Monza and Brianza Province, Lodi Province and Pavia Province.

As far as funding of LPT services is concerned, Article 17 of the RL 6/2012 provides that the Regional Board (*Giunta Regionale*) defines, within the limits of the resources available under the Regional annual and multiannual budgets, (i) the criteria for the identification of the standard costs and transport needs, (ii) the overall amount of resources from the Regional budget to be allocated to the LPT, as well as the resources to be allocated to the administrative functions entrusted to the LPT Agencies and (iii) the criteria for distributing such amounts amongst the various basins.

In turn, each LPT Agency defines, in agreement with the competent local entities and within the limits of their annual and multiannual budgets, the additional resources to be destined to the LPT within the relevant basin. The above Regional and local resources necessary to finance the LPT service are then

distributed by the LPT Agency on the basis of a three-year plan setting out the relevant terms and conditions.

Article 18 of the RL 6/2012 provides that, as a general rule, the LPT services are regulated by service contract entered into between the LPT Agency and the relevant operator. By virtue of the such rule, the awarding of the LPT contracts does no longer happen at the level of single municipalities, but rather in relation to an entire basin.

Pursuant to Article 22 of the RL 6/2012, service contracts are awarded by the LPT Agencies through public tender procedures on the basis of the net cost mechanism (pursuant to which the commercial risk and the tariff revenues are borne by the operator). Only in case of justified reasons due to territorial, technical or economic factors, the remuneration under the service contract may be based on the gross cost mechanism (pursuant to which the commercial risk and the tariff revenues are on the awarding authority whilst only the management risk is on the operator).

The outgoing operator is not entitled to any indemnity in case of replacement by an incoming operator, in case of non-renewal of the LPT service contract upon expiry as well as in case of early termination thereof.

In order to guarantee equal treatment and non-discriminatory conditions amongst operators competing for the awarding of LPT service contracts, the LPT Agencies, after having obtained favourable opinion by the Regional Board (*Giunta Regionale*), shall identify the essential assets (as non-duplicable at socially sustainable costs) for the provision of the LPT service to be made available to the awarded operator on the basis of predetermined and non-discriminatory economic conditions. In any case, essential assets include the network facilities and relevant immoveable plants, rolling stock and relevant parking/depots.

Environmental regulation

The Issuer is subject to a broad range of environmental laws and regulations enacted both at European and national level, including those governing the discharge of pollutants into the air or water, the uses, transport, storage, processing, discharge, management and disposal of hazardous substances and wastes and the responsibility to investigate and clean-up contaminated sites that are or were owned, leased, operated or used by the Issuer. Such laws and regulations impose increasingly stringent environmental obligations regarding, among other things, zoning, the protection of employees and health and safety. The Issuer's objective is to comply in all material respects, and believes that its operations generally are in material compliance, with applicable environmental and health control laws and regulations, and all related permit requirements.

Responsibility for contamination

The main piece of EU legislation dealing with environmental liability and polluted sites clean-up is the Directive 2004/35/CE on environmental liability, which regulates the prevention and remediation of environmental damage, as subsequently amended and implemented (the "**Environmental Liability Directive**"). The Environmental Liability Directive establishes a framework based on the "polluter pays" principle to prevent and remedy environmental damage. The "polluter pays" principle is set out in the Article 191.2 of the TFEU. As the Environmental Liability Directive deals with the "pure ecological damage", it is based on the powers and duties of public authorities ("administrative approach") as opposed to a civil liability system for "traditional damage" (damage to property, economic loss, personal injury).

The Environmental Liability Directive has been implemented in Italy by Legislative Decree No. 152/2006 (the "**Environmental Code**"), pursuant to which the polluter is legally responsible to prevent and remedy any environmental damage caused by its activities. As a result, any costs for remediation of a site must be borne by the polluter, while the landowner or any other person who is not responsible for the pollution

cannot be required to carry out, or bear liability, for any clean-up activity. However, the landowner might be required to carry out urgent activities to secure the areas in order to prevent the damage from worsening.

Under the Environmental Code, for liability purposes the actual polluter is the person responsible for the activity which caused the pollution, regardless of whether he holds any interest in the land which has been polluted. Therefore, if an action by a third party caused pollution without the owner or user of the affected land being aware of that activity, or being able to prevent the activity, that owner or user cannot be held responsible (Article 245.1 of the Environmental Code).

In case the person responsible for contamination cannot be identified or is unable to perform the clean-up (for example, as a result of its corporate insolvency), remediation will be carried out by the competent public authority. In such cases, the area to be cleaned-up is taken as a collateral for the costs borne by the authority, within the limit of the market value of said area, which is determined after the work is performed. As an alternative, to avoid the abovementioned scenario, a landowner may carry out any required remediation itself and subsequently seek reimbursement from the polluter under Italian civil laws.

With respect to any remediation required in the execution of public works, if the contamination has not been caused by the contractor but is pre-existing on the site, a variation (*variante*) to the object of the public contract may be requested and approved. On the other hand, to the extent that pollution has been caused by the activities of that contractor, or is attributable to its sub-contractors, the contractor must bear the costs of remediation.

Lastly, non-compliance with the legislation on remediation procedures referred to in the Environmental Code might involve criminal liability of persons as well as corporate entities pursuant to Legislative Decree 231/2001. In more detail, in the most serious cases, environmental contamination might involve major criminal sanctions, e.g. when the crime of *"environmental pollution"* (art. 452-*bis* of the Criminal Code) and the crime of *"omitted remediation"* (art. 452-*terdecies* of the Criminal Code) are committed.

Health and safety

In compliance with Italian, regional and EU laws and regulations, the Issuer has implemented health and safety rules that are applicable to its operations.

In particular, Legislative Decree No. 81/08 (containing the Consolidated act on occupational health and safety protection at workplaces, implementing, *inter alia*, Directives 89/391/ECC, 89/654/ECC, 89/655/ECC, 89/656/ECC, 90/269/EC, 90/270/ECC, 90/394/ECC, 90/679/ECC, 93/88/ECC, 95/63/ECC, 97/42/ECC, 98/24/ECC, 99/38/ECC, 99/92/ECC, 2001/45/ECC, 2003/10/ECC, 2004/40/ECC as well as 92/57/EEC on temporary or mobile construction sites) sets out health and safety requirements at workplaces as well as at temporary or mobile construction sites (the "**LD 81/08**").

Under Article 2 of the LD 81/08, the Issuer, as employer, is the subject who retains the responsibility to organize the activities to be carried out at the workplace, having the relevant decision and spending powers.

Furthermore, in case construction works are to be carried out (also as a result of the implementation of the Investment Plan), Title IV of the LD 81/08 (Articles 88 – 160) sets out specific health and safety requirements to be complied with in case works are carried out at temporary or mobile construction sites. To this end, Article 89.1.a) of the LD 81/08 defines as temporary or mobile construction site any site where building works or civil engineering activities (as listed in Annex X) are carried out. In turn, Annex X provides a very broad list of activities that are to be regarded as building works or civil engineering.

Under Article 89.1.b) of the LD 81/08, the subject who bears the overall liability for health and safety compliance at construction sites is the client, identified as the subject on behalf of which the works are carried out, independently from any fragmentation of their realization. In light of the above, the Issuer – in addition to its obligation as employer - in case of carrying out of the works provided under the Investment Plan would also be deemed as client for the purpose of application of Article 89.1.b) of the LD 81/08.

In order to specifically address the above risks relating to health and safety burdens connected with the different segments of its activities, the Issuer has enacted specific quality standards in compliance with those set out under the OHSAS 18001 (Occupational Health and Safety Assessment Series). In addition, periodic audits are put in place in order to monitor the effectiveness of the implemented system as well as to promptly put in practice any improvement which may be required.

Furthermore, the OHSAS 18001 system, if effectively implemented by the Issuer, is able to constitute an adequate 231 organisational model under the Legislative Decree 231/2001 for the purpose of preventing its liability as a result of the perpetration of crimes related to breach of health and safety burdens (see *"Risk Factors - Risk relating to any breaches of the organisation and management model")*.

Public procurement and Traceability regime pursuant to Law No. 136/2010

The Issuer is to be regarded as a public undertaking (*impresa pubblica*) pursuant to Italian Legislative Decree No. 36/2023 (the "**Public Contracts Code**"), Annex I, Article 1, letter f) and is, therefore, subject only to the provisions of said code applicable to the so-called "special sectors" referred to in Articles 146 to 152 of the Public Contracts Code. The Issuer operates in the "transportation services" sector under Article 149 of the Public Contracts Code and is, therefore, subject to the provisions of the Public Contracts Code (e.g. the obligation to carry out public tenders) exclusively for the awarding of contracts that are instrumental from a functional point of view to the operation of the transportation service (see Article 141, paragraph two, of the Public Contracts Code).

Furthermore, with respect to the public contracts entered into or entrusted by the Issuer pursuant to the Public Contracts Code, the Issuer is also subject to specific obligations to ensure traceability of any financial flows.

More in detail, in order to ensure full traceability of any financial flows and to prevent criminal infiltrations, Article 3 of Law No. 136/2010 (the "**Law 136/10**") provides that all contractors, sub-contractors and concessionaires in relation to public works, services or supplies must use dedicated bank accounts to receive and/or make any payments relating to the performance of the activities under the relevant public contract. Furthermore, all such sums must be moved by wire transfers (which are traced and registered on the bank account) and include the tender identification code (*codice identificativo gara* - CIG) identified by the relevant awarding authority.

In light of the above, the traceability regime shall apply to any payment made by the Municipality to the Issuer in connection with the execution of the activity performed by the Issuer in favour/on behalf of the Municipality.

Furthermore, the Issuer must also ensure that any contracts and sub-contracts in connection with the relevant works, supplies or services include a provision requiring all sub-contractors, contractors and suppliers to comply with the obligations under the Law 136/10. Any contracts entered into after Law 136/10 came into effect that do not include such a provision will be deemed retroactively void.

Consolidated act on companies in which public entities have a shareholding

Legislative Decree No. 175/2016 introduced a consolidated act regulating companies in which public entities are shareholders (*Testo unico in materia di società a partecipazione pubblica* – the "**TUSP**").

The TUSP regulates the incorporation of companies by public entities as well as the acquisition, the maintenance and the management of the stakes in companies which are, totally or partially, directly or indirectly, owned by public entities.

According to article 1, paragraph 5 of the TUSP, the same decree does not apply to "*listed companies*" (as defined under article 2, letter p)), save for the limited cases in which expressly provided otherwise. Such definition of "*listed companies*" includes, among other things, also companies with public shareholders that have issued financial instruments listed on regulated markets, on or before 31 December 2015.

In this respect please also note that Article 26, paragraph 5 of the TUSP provides that in the 12 months following its entry into force (*i.e.* until 23 September 2017) such decree does not apply to companies with public shareholders which, within 30 June 2016, have adopted deeds which are aimed at issuing financial instruments (other than shares) to be listed on regulated markets. The aforesaid deeds are communicated by the issuer to the Court of Auditors (*Corte dei Conti*) within 60 days form the entry into force of such decree. In case the listing procedure is concluded by the aforesaid term of 12 months, the TUSP continues not to apply to the issuer.

In light of the foregoing, the TUSP does not apply to the Issuer, which has issued financial instruments listed on regulated markets before 23 September 2017, except for the few provisions which are expressly applicable also to "*listed companies*", such as:

- Article 8, governing the procedures for the deliberation of transactions involving the acquisition of shareholdings by public administrations; and
- Article 9, governing the exercise of shareholding rights by public administrations and the execution, revision or termination by said public administrations of shareholder agreements.

TAXATION

The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

ITALIAN TAXATION

Tax changes

Law No. 111 of 9 August 2023, published in the Official Gazette No. 189 of 14 August 2023 ("Law 111"), delegated the Italian Government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the reform of the Italian tax system (the "Tax Reform").

According to Law 111, the Tax Reform is expected to significantly change the tax regimes of financial instruments and capital markets. The nature, extent, and impact of these changes cannot be foreseen and/or assessed with certainty at the date of this Base Prospectus.

As a result, the information provided in this Base Prospectus may not comply with the future tax landscape.

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

Interest on the Notes

Italian Legislative Decree No. 239 of April 1,1996, as amended and supplemented ("**Decree No. 239**"), regulates the tax treatment of interest, premiums and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") from Notes to the extent that, *inter alia*, the:

(i) Notes are listed on a qualifying regulated market or on a multilateral trading platform of EU Member States and of the States party to the EEA Agreement included in the list of States allowing an adequate exchange of information with the Italian tax authorities, as indicated by the Italian Ministerial Decree of September 4, 1996, as ultimately amended by Ministerial Decree of March 23, 2017 and possibly further amended by future decrees issued pursuant to Article 11 par. 4 (c) of Decree No. 239 (the "**White List States**"); or

(ii) Notes are subscribed for by, held by and transferred among qualified investors only (as defined under Article 100 of the Italian Securities Act).

The provisions of Decree No. 239 only apply to Notes which qualify as *obbligazioni* or *titoli similari alle obbligazioni* pursuant to Article 44 of Italian Presidential Decree No. 917 of December 22, 1986, as amended and supplemented ("**Decree No. 917**"). Pursuant to Article 44, paragraph 2, letter c), of Decree No. 917, for securities to qualify as *titoli similari alle obbligazioni* (securities similar to bonds), they must (i) incorporate an unconditional obligation to pay at maturity an amount not lower than their nominal value or principal amount ("*valore nominale*") and (ii) attribute to the holders no direct or indirect right to control or participate to the management of the Issuer.

Italian Resident Noteholders

Where an Italian resident Noteholder is the beneficial owner of the Notes and is:

(a) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless they have opted for the application of the *risparmio gestito* regime – see under "*Capital gains tax*" below);
(b) a non-commercial partnership;
(c) a non-commercial private or public institution other than companies, and trusts not carrying out mainly or exclusively commercial activities, the Italian State and public and territorial entities; or
(d) an investor exempt from Italian corporate income taxation,

Interest relating to the Notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as "*imposta sostitutiva*", levied at the rate of 26 per cent. In the event that the Noteholders described under paragraphs (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax and the relevant Interest must be included in their relevant income tax return. As a consequence, the Interest will be subject to ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the taxation on income due.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on Interest relating to the Notes if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Where an Italian resident Noteholder is the beneficial owner of the Notes and 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*. It must, however, be included in the relevant Noteholder's income tax return and is therefore subject to general Italian corporate taxation (**IRES**) (and, in certain circumstances, depending on the "status" of the Noteholder, also to the regional tax on productive activities (**IRAP**).

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, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010 and Legislative Decree No. 44 of 4 March 2014, all as amended, payments of Interest in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, or pursuant to Article 14-bis of Law No. 86 of 25 January 1994, and Italian real estate SICAFs (together, the **Real Estate Funds**) are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of a Real Estate Fund. However, a withholding tax of 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders/shareholders of the Real Estate Fund.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund, a SICAF ("*Società di investimento a capitale fisso")* or a SICAV ("*Società di investimento a capital variabile*") 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 relevant Notes are held by an authorised intermediary, Interest accrued during the holding period on the Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results but a withholding tax up to 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the **Collective Investment Fund Tax**).

Where an Italian resident Noteholders is a pension fund (subject to the regime provided for by article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) 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 individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* (**SIMs**), fiduciary companies, *società di gestione del risparmio* (**SGRs**), stock brokers and other entities identified by a decree of the Ministry of Finance (each an **Intermediary**), as subsequently amended and integrated.

An Intermediary (a) must (i) be resident in Italy or (ii) be a permanent establishment in Italy of a non-Italian resident financial intermediary or (iii) an entity or company not resident in Italy, acting through a system of centralised administration of notes and directly connected with the Department of Revenue of the Italian Ministry of Economy and Finance, having appointed an Italian representative for the purposes of Decree No. 239; and (b) intervene, in any way, in the collection of Interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited. Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian financial intermediary paying Interest to a Noteholder or, absent that, by the Issuer.

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 the *imposta sostitutiva* applies provided that the non-Italian resident beneficial owner (certain types of institutional investors are deemed to be beneficial owners by operation of law) is:

(a) resident, for tax purposes, in a White List State; or

(b) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or

(c) a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or

(d) an "institutional investor", whether or not subject to tax, which is established in a White List State.

In order to ensure gross payment, non-Italian resident Noteholders without a permanent establishment in Italy to which the Notes are effectively connected must be the beneficial owners of the payments of Interest and must:

(a) deposit, directly or indirectly, 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 centralised securities management system which is in contact, via computer, with the Ministry of Economy and Finance; and

(b) file with the relevant depository, prior to or concurrently with the deposit of the Notes, a statement of the relevant Noteholder, which remains valid until withdrawn or revoked, in which the Noteholder declares to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. This statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in Italy nor in the case

of foreign Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001.

The *imposta sostitutiva* will be applicable at the rate of 26 per cent. to Interest paid to Noteholders who do not qualify for the exemption.

Noteholders who are subject to the substitute tax might, nevertheless, be eligible for a total or partial relief under an applicable tax treaty between the Republic of Italy and the country of residence of the relevant Noteholder.

Atypical Securities

Interest payments relating to Notes that are not deemed to be bonds (*obbligazioni*), debentures similar to bonds (*titoli similari alle obbligazioni*), shares or securities similar to shares (*azioni o titoli similari alle azioni*) pursuant to Article 44 of Decree No. 917, may be subject to a withholding tax currently levied at the rate of 26%.

Where the Noteholder is (a) an Italian individual engaged in an entrepreneurial activity to which the Notes are connected, (b) an Italian company or a similar Italian commercial entity, (c) a permanent establishment in Italy of a foreign entity, (d) an Italian commercial partnership or (e) an Italian commercial private or public institution, such withholding tax is a provisional withholding tax. In all other cases, including when the Noteholder is a non-Italian resident, the withholding tax is a final withholding tax. For non-Italian resident Noteholders, the withholding tax rate may be reduced by any applicable tax treaty.

Subject to certain limitations and requirements (including minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity to which the Notes are connected or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the withholding tax on Interest relating to the Notes that are classified as atypical securities, if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Capital gains tax

Italian resident Holders of the Notes

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company, a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) a non-commercial partnership, (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 an *imposta sostitutiva*, levied at the rate of 26 per cent. The Noteholders may set off any losses with their gains.

In respect of the application of *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below:

(a) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Italian Noteholders under (i) to (iii) above, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains (net of any incurred capital loss) realised by the above mentioned Italian resident Noteholders holding the Notes. In this instance, "capital

gains" means any capital gain not connected with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay the *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(b) As an alternative to the tax declaration regime, 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; and

(ii) an express election for the *risparmio amministrato* regime being timely made in writing by the relevant Noteholder.

The depository must account for the *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. The depository must also 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 Noteholders or using funds provided by the Noteholders for this purpose. Under the *risparmio amministrato* regime, any possible capital loss resulting from a sale or redemption or certain other transfer of the Notes may be deducted from capital gains subsequently realized, 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 Noteholders are not required to declare the capital gains in the annual tax return.

(c) In the "*risparmio gestito*" regime, any capital gains realised by Italian Noteholders under (i) to (iii) above who have entrusted the management of their financial assets (including the Notes) to an authorised intermediary, 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. Any depreciation of the managed assets accrued at the year-end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. The Noteholders are not required to declare the capital gains realised in the annual tax return.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Notes if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termin*e) that meets the requirements from time to time applicable as set forth by Italian law.

Any capital gains realised by a Noteholder who is a Fund will neither be subject to *imposta sostitutiva* on capital gains, nor to any other income tax in the hands of the relevant Noteholders; the Collective Investment Fund Tax will be levied on proceeds distributed by the Fund or received by certain categories of unitholders upon redemption or disposal of the units.

Real Estate Funds are not subject to any substitute tax at the fund level nor to any other income tax in the hands of the Real Estate Fund. However, a withholding tax of 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders/shareholders of the Real Estate Fund.

Any capital gains realised by a Noteholder who is an Italian pension fund (subject to the regime provided for by article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, capital gain realised 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 individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Non-Italian resident Holders of the Notes

Capital gains realised by non-Italian resident Noteholders without a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of Notes traded on regulated markets (according to the meaning identified by the Italian tax authorities in Circular Letter No. 32/E of December 23, 2020) are not subject to the *imposta sostitutiva*. The exemption applies provided that the non-Italian resident Noteholders, in certain cases, file in due course with the authorised financial intermediary an appropriate affidavit (*autocertificazione*) stating that the Noteholder is not resident in Italy for tax purposes.

Capital gains realised by non-Italian resident Noteholders, without a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of Notes not traded on regulated markets are not subject to the *imposta sostitutiva*, provided that the beneficial owner (certain types of institutional investor are deemed to be beneficial owners by operation of law) is:

(a) resident in a White List State;

(b) an international entity or body set up in accordance with international agreements which have entered into force in Italy;

(c) a Central Bank or an entity which manages, inter alia, the official reserves of a foreign State; or

(d) an "institutional investor", whether or not subject to tax, which is established in a White List State.

If none of the conditions above is met, capital gains realised by non-Italian resident Noteholders, without a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of Notes issued by an Italian resident issuer and not traded on regulated markets are subject to the *imposta sostitutiva* at the current rate of 26 per cent. However, Noteholders may benefit from an applicable tax treaty with Italy providing that capital gains realised upon the sale or redemption of the Notes are to be taxed only in the resident tax country of the recipient.

Inheritance and gift taxes

Transfers of any valuable asset (including the Notes or other securities) as a result of death or donation are taxed as follows:

(a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or gift exceeding, for each beneficiary, Euro 1,000,000;

(b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or gift exceeding, for each beneficiary, Euro 100,000; and

(c) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or gift.

If the transfer is made in favour of persons with severe disabilities, the tax is levied at the rate mentioned above in paragraphs (a), (b) and (c) on the value exceeding, for each beneficiary, Euro 1,500,000.

The transfer of financial instruments (including the Notes) as a result of death is exempt from inheritance tax when such financial instruments are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Transfer tax

Contracts relating to the transfer of securities are subject to a Euro 200.00 registration tax as follows: (i) public deeds and notarised deeds are subject to mandatory registration; (ii) private deeds are subject to registration only in "case of use (*caso d'uso*), in case of "explicit reference" (*enunciazione*) or in case of voluntary registration (*registrazione volontaria*).

Stamp Duty

Pursuant to Article 13 of the tariff attached to Presidential Decree No. 642 of 26 October 1972 (**Decree No. 642**), as subsequently amended, a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by a financial intermediary to a Noteholder in respect of any Notes which may be deposited with such financial intermediary. The stamp duty applies at a rate of 0.20 per cent.; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the Notes held. The stamp duty cannot exceed Euro 14,000.00 if the Noteholder is not an individual.

The statement is deemed to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release nor the drafting of the statement. In case of reporting periods less than 12 months, the stamp duty is payable on a pro-rata basis.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy and Finance on 24 May 2012, the stamp duty applies to any investor who is a client - regardless of the fiscal residence of the investor - (as defined in the regulations issued by the Bank of Italy on 9 February 2011, as subsequently amended, supplemented and restated) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Wealth Tax on securities deposited abroad

According to Article 19 of Law Decree No. 201 of December 6, 2011, converted with Law No. 214 of 22 December 2011, as amended and supplemented, Italian resident individuals, non-commercial entities and certain non-business partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.20 per cent (the "**IVAFE**"). The IVAFE rate is increased to 0.40 per cent. in case of financial products held in states or territories listed as having a privileged tax regime under Ministerial Decree of 4 may 1999. The wealth tax cannot exceed Euro 14,000.00 for taxpayers different from individuals. In this case the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree No. 642 does not apply.

This tax is calculated on the market value of the Notes at the end of the relevant year or – if no market value is available – the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

Financial assets held abroad are excluded from the scope of the wealth tax if they are administered by Italian financial intermediaries pursuant to an administration agreement. In this case, the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree No. 642 does apply.

Tax Monitoring

According to the Law Decree No. 167 of 28 June 1990, converted with amendments into Law No. 227 of 4 August 1990, as amended from time to time, individuals, non-commercial entities and certain non-business partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy for tax purposes, under certain conditions, are required to report for tax monitoring purposes in their yearly income tax the amount of investments (including the Notes) directly or indirectly held abroad. The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the actual owner of the instrument.

Furthermore, the above reporting requirement is not required to comply with respect to: (i) Notes deposited for management with qualified Italian financial intermediaries; (ii) contracts entered into through the intervention of qualified Italian financial intermediaries, upon condition that the items of income derived from the Notes have been subject to tax by the same intermediaries; or (iii) if the foreign investments are only composed by deposits and/or bank accounts and their aggregate value does not exceed a Euro 15,000 threshold throughout the year.

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 10 May 2024, agreed with the Issuer the 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 "*Overview of Provisions Relating to the Notes while in Global Form*" and "*Terms and Conditions of the Notes*", the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with this and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith. The Programme Agreement also makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and U.S. Treasury regulations promulgated thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series 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 registration under the Securities Act.

Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies the "*Prohibition of Sales to EEA Retail Investors*" as "Not Applicable", 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 EEA. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or

(iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (as amended, the "**EU 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.

If the Final Terms in respect of any Notes specifies "*Prohibition of Sales to EEA Retail Investors*" as "Not Applicable", in relation to each Member State of the EEA, 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 made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Member State, except that it may make an offer of such Notes to the public in that Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression "**an offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Final Terms in respect of any Notes specifies the "*Prohibition of Sales to UK Retail Investors*" as "Not Applicable", 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 UK. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or

(ii) a customer within the meaning of the provisions of the Financial Services Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, as amended, 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 (the "**UK 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.

If the Final Terms in respect of any Notes specifies "*Prohibition of Sales to UK Retail Investors*" as "Not Applicable", 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 made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in the UK, except that it may make an offer of such Notes to the public in the UK:

(a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined Article 2 of the UK Prospectus Regulation) in the UK, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression "**an offer of Notes to the public**" in relation to any Notes in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

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 which have 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 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 UK.

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 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 and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, 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.

Republic of Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except in circumstances falling within Article 1(4) or 3(2) of the EU Prospectus Regulation and Article 34-*ter* of CONSOB Regulation No. 11971 of 14 May, 1999, as amended from time to time.

Any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy under the preceding paragraph 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 Legislative Decree No. 58 of 24 February 1998, as amended, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and

(b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

France

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, 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 this Base Prospectus or any other offering material relating to the Notes.

Singapore

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 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.

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 neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer 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.

GENERAL INFORMATION

Authorisation

The establishment of the Programme has been authorised by a resolution passed by the Issuer's Board of Directors on 27 March 2024 and by a resolution passed at the Issuer's Shareholders' Meeting on 29 April 2024.

Listing and Admission to Trading

The Base Prospectus has been approved by the Central Bank, as competent authority under the EU Prospectus Regulation. The Central Bank has only approved the Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that is the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Application has been made to Euronext Dublin for Notes issued under the Programme during the 12 months from the date of the Base Prospectus to be listed on the Official List and admitted to trading on the Euronext Dublin Regulated Market. The Euronext Dublin Regulated Market is a regulated market for the purposes of EU MiFID II. However, Notes may be issued pursuant to the Programme which will not be listed on the Euronext Dublin Regulated Market or any other stock exchange or which will be listed on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available at https://www.atm.it/en/IIGruppo/Pages/default.aspx:

(a) the By-laws (*statuto*) (with an English translation thereof) of the Issuer;

(b) the most recently published audited consolidated annual financial statements of the Issuer (with an English translation thereof) together with the audit reports prepared in connection therewith;

(c) the Agency Agreement;

(d) the Deed of Covenant;

(e) a copy of this Base Prospectus; and

(f) any future base prospectuses, prospectuses, information memoranda, supplements to this Base Prospectus and Final Terms (save that a Final Terms relating to a Note which is not admitted to trading on a regulated market in the EEA will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer as to its holding of Notes and identity) and any other documents incorporated herein or therein by reference.

In addition, this Base Prospectus, each Final Terms relating to Notes which are admitted to trading on the Euronext Dublin's regulated market and each document incorporated by reference are available on Euronext Dublin's website at www.euronext.com/en/markets/Dublin.

Furthermore, the Issuer's Green Financing Framework is available on the Issuer's website at the following link: https://www.atm.it/en/IIGruppo/Investors/Documents/ATM_Green_Financing_Framework_2024.pdf, and the Issuer's Second-party Opinion is available at the following link https://www.atm.it/en/IIGruppo/Investors/Documents/Sustainalytics_Green_Financing_Framework_Second_Party_Opinion.pdf.

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, 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 Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. The address of Clearstream, Luxembourg is Clearstream Banking, S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

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.

Yield

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant issue price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

Significant or Material Change

There has been no significant change in the financial performance or financial position of the Group since 31 December 2023 and there has been no material adverse change in the financial position or prospects of the Group since 31 December 2023.

Litigation

Save as disclosed on pages 128-129 of this Base Prospectus under the section "*Description of the Issuer – Legal Proceedings*", neither the Issuer nor any member of its Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the Group.

Independent Auditors

The current auditors of the Issuer are Deloitte & Touche S.p.A., with registered office at Via Tortona 25, Milan, 20144, Italy, who are registered under No. 132587 in the Register of Accountancy Auditors (*Registro dei Revisori Legali*) maintained by the Italian Ministry of Economy and Finance (*Ministero dell'Economia e delle Finanze*) in accordance with Legislative Decree No. 39 of 27 January 2010, as amended. Deloitte & Touche S.p.A. was appointed as auditor for the fiscal years 2017 to 2025 by the shareholders' meeting of the Issuer held on 9 November 2017 and has audited the consolidated financial statements of the Issuer as of and for the years ended 31 December 2023 and 31 December 2022. Deloitte & Touche S.p.A. is a member of ASSIREVI, the Italian association of auditing firms.

Use of Foreign Language Terms

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Post-issuance information

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes, except if required by any applicable laws and regulations.

Dealers transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in lending, advisory, corporate finance services, investment banking and/or commercial banking transactions with and may perform services to the Issuer and its affiliates in the ordinary course of business for companies involved directly or indirectly in the sector in which the Issuers and/or their affiliates operate, and for which such Dealers have received or may receive customary fees, commissions, reimbursement of expenses and indemnification. Certain of the Dealers may also have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. Some or all of the Dealers, or their affiliates, have lending relationships with the Issuer and certain companies within the Issuer's group, and a conflict of interests exists in as much as part of the proceeds from the issue of the Notes will be used to repay previous loans granted to the Issuer's group and the Dealers will receive commissions on the Notes (as further described in "*Use of Proceeds*"). 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 parent companies.

ISSUER

Azienda Trasporti Milanesi S.p.A.
Foro Buonaparte, 61
20121 Milan
Italy

ARRANGERS AND DEALERS

BNP Paribas
16, boulevard des Italiens
75009 Paris
France

Intesa Sanpaolo S.p.A.
Divisione IMI Corporate & Investment Banking
Via Manzoni 4
20121 Milan
Italy

ISSUING AND PRINCIPAL PAYING AGENT

BNP Paribas, Luxembourg Branch
60, Avenue J.F. Kennedy
L 1855 Luxembourg
Postal address: L-2085 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISERS

To the Issuer as to Italian law:
Chiomenti
Via Giuseppe Verdi, 4
20121 Milan
Italy

Simmons & Simmons LLP
To the Arrangers and Dealers as to English law and Italian law
Via Tommaso Grossi, 2
20121 Milan
Italy

Citypoint
One Ropemaker Street
London EC2Y 9SS
United Kingdom

AUDITORS TO THE ISSUER

Deloitte & Touche S.p.A.
Via Tortona 25
20144 Milan
Italy

LISTING AGENT

BNP Paribas, Luxembourg Branch
60, Avenue J.F. Kennedy
L 1855 Luxembourg
Postal address: L-2085 Luxembourg
Grand Duchy of Luxembourg