

IFITALIA - Internal Replacement Plan (Fallback)

In accordance with the provisions set forth in the Benchmark Regulation¹ and Article 118-bis of the Consolidated Law on Banking (Testo Unico Bancario, or TUB²), banks and financial intermediaries are obliged to prepare and maintain up-to-date the "Internal Replacement Plan (Fallback)". This plan **identifies the actions to be taken in the event of a substantial variation or termination of the benchmark index³**.

In the event of a substantial change or termination of the benchmark index, the internal plan adopted by Ifitalia, in accordance with the BNP Paribas Group's provisions, outlines the following actions:

"Ifitalia shall employ, in replacement of the benchmark index, a substitute reference index that is equivalent to:

- i. an alternative parameter or rate published, validated, approved, or recognized by the administrator of the replacement benchmark index, the central bank, the monetary authority, or any similar institution or authority (including relevant committees or other bodies established, sponsored, or approved by any of the aforementioned entities, such as the Euro Risk Free Rates Working Group established by the European Central Bank, the European Securities Markets Association, and the European Commission, or any successor body), as already done for example for cases of termination of the Libor and Eonia indices, informations on which may be consulted on the dedicated page under Client Information - Client Information: [Benchmark Transitions](#); or, should said transition value not be available:
- ii. the fixed rate that corresponds to the last available Mid-Swap rate⁴, inclusive of any alteration determined by Ifitalia that is consistent with the stipulations of this plan".

The objective of determining a replacement benchmark index is to guarantee the continuity of contracts and the associated provisions.

¹ Article 28, paragraph 2 of EU Regulation 2016/1011 and subsequent EU Regulation 2021/168, published on 12 February 2021.

² Article 118 bis of the Consolidated Banking Law (TUB) was published by Legislative Decree No. 207 of 7 December 2023.

³ Substantial change or termination of the benchmark index (Permanent Discontinuity Event) means, for example one of the following events:

- a. any substantial interruption of that reference parameter, any substantial change in the methodology for calculating the reference parameter;
- b. the unavailability of the reference parameter or the absence of a quotation on the *Screen Page* for a period of at least 20 consecutive Business Days;
- c. a public statement or public communication made by or on behalf of the reference parameter administrator or the competent authority about the final deletion or termination of the publication of the reference parameter;
- d. a regulator or other official entity of the sector prohibits the use of such a reference parameter or indicates that its use is subject to restrictions or adverse consequences;
- e. the absence or withdrawal of any required authorisation of the reference parameter administrator or the absence or withdrawal of the reference parameter or its administrator from any official register.

Screen Page: means the pages of the Reuters information service, any replacement pages related to said information service or any other equivalent information service (such as Bloomberg).

⁴ Mid-Swap rate: means the ICE Swap Rate administered by ICE Benchmark Administration for Euro Swaps with a maturity equal to or similar to the period commencing on the first day of the Interest Period (inclusive) in respect of which Ifitalia has determined that a Permanent Cessation Event has occurred, on the Final Maturity Date (exclusive), as shown on the Mid-Swap Screen Page at 11:00 a.m. (Brussels time) on the Listing Date.

Should Ifitalia implement the aforementioned index substitute, it shall undertake the requisite technical modifications and adjustments⁵ to ensure that the new index is comparable with the original benchmark index agreed upon by the Parties.

The selection is made by Ifitalia in good faith and in accordance with the standards typically observed in the banking sector.

In the event of a significant change or termination of the benchmark index, the Client will be duly informed within thirty days, in writing or on another durable medium accepted in advance by the Client, of the changes made or the replacement index. The proposed amendment shall be deemed to have been approved if the client does not withdraw from the contract, without charge, within a period of two months following the receipt of the aforementioned notice. In the event of withdrawal, the client is entitled to the application, at the conclusion of the contractual relationship, of the conditions previously established, including those relating to the interest rate, and taking into account the last available value of the benchmark index, if necessary.

⁵ Adjustment: means any adjustment to the margin intended to eliminate or reduce any potential economic loss incurred by either party as a result of the index replacement and, consequently, to ensure that the Replacement Index Rate is equivalent to the index on the date of its replacement. The Adjustment is a fixed value that can be either an increase or a decrease in the margin.