

Supplement No. 5 dated 21 August 2025 to the Base Prospectus for Fixed Income Notes dated 22 November 2024 as supplemented by Supplement No. 1, Supplement No. 2, Supplement No. 3 and Supplement No. 4 (as defined below).

*Nachtrag Nr. 5 vom 21. August 2025 zum Basisprospekt für Fixed Income Schuldverschreibungen vom 22. November 2024 wie durch den Nachtrag Nr. 1, Nachtrag Nr. 2, Nachtrag Nr. 3 und Nachtrag Nr. 4 (wie nachfolgend definiert) nachgetragen.*

**MORGAN STANLEY & CO. INTERNATIONAL PLC**

(incorporated with limited liability in England and Wales)

*(eine Gesellschaft mit beschränkter Haftung unter dem Recht von England und Wales)*

**MORGAN STANLEY B.V.**

(incorporated with limited liability in The Netherlands)

*(eingetragen mit beschränkter Haftung in den Niederlanden)*

**MORGAN STANLEY EUROPE SE**

(a European stock corporation under German law incorporated in the Federal Republic of Germany)

*(eine europäische Aktiengesellschaft deutschen Rechts eingetragen in der Bundesrepublik Deutschland)*

and

und

**MORGAN STANLEY**

(incorporated under the laws of the State of Delaware in the United States of America)

*(gegründet nach dem Recht des Staates Delaware in den Vereinigten Staaten von Amerika)*

as Guarantor for any issues of Securities by Morgan Stanley B.V.

*als Garantin für die Emission von Wertpapieren durch Morgan Stanley B.V.*

**German Programme for Medium Term Securities**

***(Programme for the Issuance of Securities)***

This supplement no. 5 (the "**Supplement No. 5**") to the Original Base Prospectus (as defined below) is prepared in connection with the German Programme for Medium Term Securities (the "**Programme**") of Morgan Stanley & Co. International plc ("**MSIP**"), Morgan Stanley B.V. ("**MSBV**") and Morgan Stanley Europe SE ("**MSESE**") and MSIP, MSBV and MSESE, each an "**Issuer**" and, together, the "**Issuers**") and is supplemental to, and should be read in conjunction with (i) the base prospectus for the issuance of fixed income notes in the English language dated 22 November 2024 and (ii) the base prospectus for the issuance of fixed income notes in the German language dated 22 November 2024 (together, the "**Original Base Prospectus**"), (iii) the supplement no. 1 dated 29 January 2025 (the "**Supplement No. 1**"), (iv) the supplement no. 2 dated 6 March 2025 (the "**Supplement No. 2**"), (v) the supplement no. 3 dated 17 April 2025 (the "**Supplement No. 3**") and (vi) the supplement no. 4 dated 7 May 2025 (the "**Supplement No. 4**") and together with Supplement No. 1, Supplement No. 2 and Supplement No. 3, the

Dieser Nachtrag Nr. 5 (der "**Nachtrag Nr. 5**") zum Ursprünglichen Basisprospekt (wie nachfolgend definiert) ist im Zusammenhang mit dem German Programme for Medium Term Securities (das "**Programm**") von Morgan Stanley & Co. International plc ("**MSIP**"), Morgan Stanley B.V. ("**MSBV**") und Morgan Stanley Europe SE ("**MSESE**") und MSIP, MSBV und MSESE, jeweils eine "**Emittentin**" und zusammen die "**Emittentinnen**") erstellt worden und ist als Nachtrag dazu und im Zusammenhang mit (i) dem Basisprospekt für die Emission von 'fixed income' Schuldverschreibungen in englischer Sprache vom 22. November 2024 und (ii) dem Basisprospekt für die Emission von 'fixed income' Schuldverschreibungen in deutscher Sprache vom 22. November 2024 (zusammen, der "**Ursprüngliche Basisprospekt**"), (iii) dem Nachtrag Nr. 1 vom 29. Januar 2025 (der "**Nachtrag Nr. 1**"), (iv) dem Nachtrag Nr. 2 vom 6. März 2025 (der "**Nachtrag Nr. 2**"), (v) dem Nachtrag Nr. 3 vom 17. April 2025 (der "**Nachtrag Nr. 3**") und (vi) dem Nachtrag Nr. 4 vom 7. Mai 2025 (der "**Nachtrag Nr. 4**") und, zusammen mit Nachtrag Nr. 1, Nachtrag Nr. 2 und Nachtrag

"Existing Supplements"), each in respect of the Programme.

Securities issued by MSBV will benefit from a guarantee dated 30 September 2016 by Morgan Stanley ("**Morgan Stanley**" or the "**Guarantor**") (the "**Guarantee**").

This Supplement No. 5 is a supplement within the meaning of article 23 (1) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The *Commission de Surveillance du Secteur Financier* (the "**CSSF**") has been requested to notify the competent authorities of the Republic of Austria ("**Austria**"), the Kingdom of Belgium ("**Belgium**"), the Republic of Bulgaria ("**Bulgaria**"), the Republic of Croatia ("**Croatia**"), the Czech Republic ("**Czechia**"), the Kingdom of Denmark ("**Denmark**"), the Republic of Finland ("**Finland**"), the Republic of France ("**France**"), the Federal Republic of Germany ("**Germany**"), the Republic of Hungary ("**Hungary**"), the Republic of Ireland ("**Ireland**"), the Republic of Italy ("**Italy**"), the Principality of Liechtenstein ("**Liechtenstein**"), the Republic of Poland ("**Poland**"), Romania ("**Romania**"), the Slovak Republic ("**Slovakia**"), the Kingdom of Spain ("**Spain**"), and the Kingdom of Sweden ("**Sweden**") with a certificate of approval attesting that this Supplement No. 5 has been drawn up in accordance with the Prospectus Regulation (the "**Notification**"). The Issuers may from time to time request the CSSF to provide to competent authorities of additional member states of the European Economic Area a Notification concerning this Supplement No. 5 along with the Original Base Prospectus and the Existing Supplements.

Unless otherwise stated or the context otherwise requires, terms defined in the Original Base Prospectus, as supplemented by the Existing Supplements, have the same meaning when used in this Supplement No. 5. As used herein, "**Base Prospectus**" means the Original Base Prospectus as supplemented by the Existing Supplements and this Supplement No. 5.

The Original Base Prospectus, the Existing Supplements and all documents incorporated by reference therein have been and this Supplement No. 5 and the documents incorporated by reference by this Supplement No. 5 will be published on the website of the

Nr. 3, die "**Bestehenden Nachträge**"), jeweils hinsichtlich des Programms zu lesen.

Die von MSBV begebenen Wertpapiere stehen unter einer Garantie datierend vom 30. September 2016 von Morgan Stanley ("**Morgan Stanley**" oder die "**Garantin**"), (die "**Garantie**").

Dieser Nachtrag Nr. 5 ist ein Nachtrag im Sinne von Artikel 23 (1) der Verordnung (EU) 2017/1129 (die "**Prospektverordnung**"). Es wurde bei der *Commission de Surveillance du Secteur Financier* (der "**CSSF**") beantragt, die zuständige Behörde in der Bundesrepublik Deutschland ("**Deutschland**") und der Republik Österreich ("**Österreich**") im Rahmen eines Billigungsschreibens darüber zu benachrichtigen, dass dieser Nachtrag Nr. 5 in Übereinstimmung mit der Prospektverordnung erstellt wurde (die "**Notifizierung**"). Die Emittentinnen können bei der CSSF von Zeit zu Zeit beantragen, dass den zuständigen Behörden weiterer Mitgliedsstaaten des Europäischen Wirtschaftsraums eine Notifizierung hinsichtlich dieses Nachtrags Nr. 5 zusammen mit dem Ursprünglichen Basisprospekt und den Bestehenden Nachträgen übermittelt wird.

Soweit nicht anderweitig bestimmt oder soweit nicht der Zusammenhang dies anderweitig verlangt, haben die Begriffe, die im Ursprünglichen Basisprospekt, wie durch die Bestehenden Nachträge nachgetragen, definiert wurden, die gleiche Bedeutung, wenn sie in diesem Nachtrag Nr. 5 verwendet werden. Innerhalb dieses Nachtrags Nr. 5 bezeichnet "**Basisprospekt**" den Ursprünglichen Basisprospekt, ergänzt durch die Bestehenden Nachträge und diesen Nachtrag Nr. 5.

Der Ursprüngliche Basisprospekt, die Bestehenden Nachträge und alle darin per Verweis einbezogenen Dokumente wurden bereits und dieser Nachtrag Nr. 5, sowie die durch diesen Nachtrag Nr. 5 per Verweis einbezogenen Dokumente werden auf der

Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)) and on the website of the Issuers (<https://sp.morganstanley.com/eu/prospectus> and <https://zertifikate.morganstanley.com>).

In accordance with article 23 (2) of the Prospectus Regulation, investors who have already submitted purchase orders in relation to instruments issued under the Programme prior to the publication of this Supplement No. 5 are entitled to withdraw their orders within three working days of this Supplement No. 5 having been published (the "**Withdrawal Right End Date**") if not yet credited in their respective securities account for the instruments so subscribed. Withdrawal Right End Date means 26 August 2025. A withdrawal, if any, of an order must be communicated in writing to the relevant seller of the Security. In the case of MSIP, MSBV or MSESE as counterparty of the purchase, the withdrawal must be addressed at the relevant Issuer at its registered office specified in the Address List hereof. Otherwise, the withdrawal must be addressed to the relevant intermediary.

Save as disclosed in this Supplement No. 5, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen since the publication of the Base Prospectus.

Webseite der Luxemburger Börse ([www.luxse.com](http://www.luxse.com)) und auf der Webseite der Emittentinnen (<https://sp.morganstanley.com/eu/prospectus> und <https://zertifikate.morganstanley.com>) veröffentlicht.

In Übereinstimmung mit Artikel 23 (2) der Prospektverordnung haben Investoren, die vor Veröffentlichung dieses Nachtrags Nr. 5 bereits eine Kauforder hinsichtlich von Instrumenten, die unter dem Programm begeben werden, abgegeben haben, das Recht, ihre Kauforder innerhalb von drei Arbeitstagen nach Veröffentlichung dieses Nachtrags Nr. 5 (das "**Widerrufsrechtenddatum**") zu widerrufen, soweit die der Kauforder zugrundeliegenden Instrumente nicht bereits im jeweiligen Wertpapierdepot gutgeschrieben wurden. Das Widerrufsrechtenddatum bezeichnet den 26. August 2025. Ein Widerruf einer Kauforder muss in Textform an den jeweiligen Veräußerer des Wertpapiers gerichtet werden. Sofern MSIP, MSBV oder MSESE die Gegenpartei des Erwerbsgeschäfts waren, ist der Widerruf an die jeweilige Emittentin unter der Sitzadresse (wie in der Adressliste angegeben) zu richten. Andernfalls ist der Widerruf an den jeweiligen Intermediär zu richten.

Mit Ausnahme der in diesem Nachtrag Nr. 5 enthaltenen Angaben, ist seit der Veröffentlichung des Basisprospekts kein wichtiger neuer Umstand, wesentliche Unrichtigkeit oder wesentliche Ungenauigkeit in Bezug auf die im Basisprospekt enthaltenen Informationen aufgetreten.

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## IMPORTANT NOTICE

This Supplement No. 5 should be read and construed with the Original Base Prospectus, the Existing Supplements and any further supplements thereto and with any other documents incorporated by reference and, in relation to any issue of securities, with the relevant final terms.

No person has been authorised by any of the Issuers or the Guarantor to issue any statement which is not consistent with or not contained in this document, any other document entered into in relation to the Programme or any information supplied by the Issuers or the Guarantor or any information as in the public domain and, if issued, such statement may not be relied upon as having been authorised by the Issuers or the Guarantor.

No person may use this Supplement No. 5, the Original Base Prospectus, the Existing Supplements or any final terms for the purpose of an offer or solicitation if in any jurisdiction such use would be unlawful. In particular, this document may only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not apply. Additionally, Securities issued under this Programme will not be registered under the United States Securities Act of 1933, as amended or the securities laws of any state in the United States. Therefore, Securities may not be offered, sold or delivered, directly or indirectly, within the United States or to or for the account or benefit of U.S. persons.

For a more detailed description of some restrictions, see "*Subscription and Sale*" on pages 368 et seqq. in the Original Base Prospectus.

Neither this Supplement No. 5, the Original Base Prospectus, the Existing Supplements nor any final terms constitute an offer to purchase any Securities and should not be considered as a recommendation by the

## WICHTIGER HINWEIS

Dieser Nachtrag Nr. 5 ist zusammen mit dem Ursprünglichen Basisprospekt, den Bestehenden Nachträgen sowie etwaigen weiteren Nachträgen dazu und mit anderen Dokumenten, die per Verweis einbezogen werden, und - in Bezug auf jede Begebung von Wertpapieren - mit den maßgeblichen endgültigen Bedingungen zu lesen und auszulegen.

Niemand wurde von den Emittentinnen oder der Garantin ermächtigt, Erklärungen abzugeben, die nicht im Einklang mit diesem Dokument stehen oder darin enthalten sind, oder mit anderen Dokumenten, die im Zusammenhang mit dem Programm erstellt wurden, oder mit von den Emittentinnen oder der Garantin gelieferten Informationen oder allgemein bekannten Informationen. Wurden solche Stellungnahmen abgegeben, so sind sie nicht als zuverlässig und als nicht von den Emittentinnen oder der Garantin genehmigt zu betrachten.

Niemand darf diesen Nachtrag Nr. 5, den Ursprünglichen Basisprospekt, die Bestehenden Nachträge oder etwaige endgültige Bedingungen zu Zwecken eines Angebots oder einer Aufforderung verwenden, wenn in einer Rechtsordnung eine solche Verwendung rechtswidrig wäre. Insbesondere darf dieses Dokument nur im Vereinigten Königreich zugänglich gemacht bzw. dessen Zugänglichkeit veranlasst werden unter Umständen, in denen Abschnitt 21(1) des *Financial Services and Markets Act 2000* nicht anwendbar ist. Zudem werden Wertpapiere, die unter dem Programm begeben werden, nicht unter dem *United States Securities Act* von 1933, in der jeweils aktuellen Fassung, oder den Wertpapiergesetzen irgendeines Bundesstaates der Vereinigten Staaten registriert. Daher dürfen Wertpapiere nicht direkt oder indirekt innerhalb der Vereinigten Staaten oder an oder für die Rechnung oder zugunsten von U.S.-Personen angeboten, verkauft oder geliefert werden.

Für eine ausführlichere Beschreibung einiger Beschränkungen, siehe "*Übernahme und Verkauf*" auf Seiten 368 folgende im Ursprünglichen Basisprospekt.

Weder dieser Nachtrag Nr. 5, der Ursprüngliche Basisprospekt, die Bestehenden Nachträge, noch etwaige endgültige Bedingungen stellen ein Angebot zum Kauf von Wertpapieren dar und sollten

Issuers or the Guarantor that any recipient of this Supplement No. 5, the Original Base Prospectus, the Existing Supplements or any final terms should purchase any Securities.

Each potential investor must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Securities is fully consistent with its (or if it is acquiring the Securities in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Securities as principal or in a fiduciary capacity) and is a fit, proper and suitable investment for it (or if it is acquiring the Securities in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Securities. The relevant Issuer disclaims any responsibility to advise potential investors of any matters arising under the law of the country in which they reside that may affect the purchase of, or holding of, or the receipt of payments or deliveries on the Securities. If a potential investor does not inform itself in an appropriate manner with regard to an investment in the Securities, the investor risks disadvantages in the context of its investment.

A potential investor may not rely on the Issuers, the Guarantor or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Securities or as to the other matters referred to above.

nicht als eine Empfehlung der Emittentinnen oder der Garantin dahingehend erachtet werden, dass Empfänger dieses Nachtrags Nr. 5, des Ursprünglichen Basisprospekts, der Bestehenden Nachträge oder etwaiger endgültiger Bedingungen Wertpapiere kaufen sollten.

Jeder potentielle Investor sollte für sich abklären, auf der Grundlage seiner eigenen unabhängigen Prüfung und, sofern er es unter den Umständen für angebracht hält, einer professionellen Beratung, dass der Erwerb der Wertpapiere in vollem Umfang mit seinen (oder falls er die Wertpapiere treuhänderisch erwirbt, mit denen des Begünstigten) finanziellen Bedürfnissen, Zielen und seiner Situation vereinbar ist, dass der Erwerb in Einklang steht mit allen anwendbaren Investitionsrichtlinien und -beschränkungen (sowohl beim Erwerb auf eigene Rechnung oder in der Eigenschaft als Treuhänder) und eine zuverlässige und geeignete Investition für ihn (oder bei treuhänderischem Erwerb der Wertpapiere, für den Begünstigten) ist, ungeachtet der eindeutigen und wesentlichen Risiken, die einer Investition in die bzw. dem Besitz der Wertpapiere anhaften. Die maßgebliche Emittentin übernimmt keinerlei Verantwortung für die Beratung von potentiellen Investoren hinsichtlich jedweder Angelegenheiten unter dem Recht des Landes, in dem sie ihren Sitz hat, die den Kauf oder den Besitz von Wertpapieren oder den Erhalt von Zahlungen oder Lieferungen auf die Wertpapiere beeinträchtigen könnten. Sollte sich ein potentieller Investor nicht selbst in geeigneter Weise im Hinblick auf eine Investition in die Wertpapiere erkundigen, riskiert er Nachteile im Zusammenhang mit seiner Investition.

Ein potentieller Investor darf sich nicht auf die Emittentinnen, die Garantin oder eine ihrer jeweiligen Tochtergesellschaften in Bezug auf seine Feststellung hinsichtlich der Rechtmäßigkeit seines Erwerbs der Wertpapiere oder hinsichtlich anderer, vorstehend genannter Angelegenheiten verlassen.

Each such recipient shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of each of the Issuers and the Guarantor (see "*Risk Factors*" on pages 22 et seqq. in the Original Base Prospectus).

#### RESPONSIBILITY STATEMENT

The Responsible Person (as defined below) accepts responsibility for the Base Prospectus as set out below and confirms that to the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information for which it accepts responsibility as aforesaid is in accordance with the facts and does not omit anything likely to affect the importance of such information.

**"Responsible Person"** means (i) Morgan Stanley with regard to the information contained in the Base Prospectus, (ii) MSIP with regard to information contained in the Base Prospectus, except for the information relating to MSBV, MSESE and Morgan Stanley, (iii) MSBV with regard to information contained in the Base Prospectus, except for the information relating to MSIP, MSESE and Morgan Stanley and (iv) MSESE with regard to information contained in the Base Prospectus, except for the information relating to MSIP, MSBV and Morgan Stanley.

Es wird vorausgesetzt, dass sich jeder Empfänger selbst erkundigt und sich sein eigenes Urteil über die Situation (finanzieller oder anderer Art) der Emittentinnen und der Garantin (siehe "*Risikofaktoren*" auf den Seiten 22 folgende im Ursprünglichen Basisprospekt) gebildet hat.

#### VERANTWORTLICHKEITSERKLÄRUNG

Die Verantwortliche Person (wie nachstehend definiert) übernimmt die Verantwortung für die im Basisprospekt enthaltenen Informationen, wie nachstehend bestimmt, und bestätigt, dass sie nach bestem Wissen und Gewissen die angemessene Sorgfalt hat walten lassen, um zu gewährleisten, dass die Informationen, für die sie die Verantwortung übernimmt, mit den Tatsachen übereinstimmt und sie nichts verschweigt, was wahrscheinlich die Bedeutung dieser Informationen beeinträchtigen könnte.

**"Verantwortliche Person"** bezeichnet (i) Morgan Stanley in Bezug auf die im Basisprospekt enthaltenen Informationen, (ii) MSIP in Bezug auf die im Basisprospekt enthaltenen Informationen, mit Ausnahme der Informationen, die sich auf MSBV, MSESE und Morgan Stanley beziehen, (iii) MSBV in Bezug auf die im Basisprospekt enthaltenen Informationen, mit Ausnahme der Informationen, die sich auf MSIP, MSESE und Morgan Stanley beziehen und (iv) MSESE in Bezug auf die im Basisprospekt enthaltenen Informationen, mit Ausnahme der Informationen, die sich auf MSIP, MSBV und Morgan Stanley beziehen.

## AMENDMENTS TO THE BASE PROSPECTUS

Significant new factors and/or material mistakes and/or material inaccuracies (as referred to in Art 23 (1) of the Prospectus Regulation) have arisen which in the Issuers' and Guarantor's perceptions are capable of affecting the assessment of the Securities. Thus, the following changes are made to the Base Prospectus.

**1. This Supplement No. 5 incorporates by reference (i) the Morgan Stanley Current Report on Form 8-K dated 16 July 2025 ("Morgan Stanley July 2025 Form 8-K"), (ii) the Morgan Stanley Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2025 and (iii) the Seventh Supplement to the 2024 Registration Document dated 11 August 2025 (the "Seventh 2024 Registration Document Supplement") and must be read in conjunction with the section entitled "Incorporation by Reference" contained on pages 82-100 of the Base Prospectus.**

**2. The following document shall be deemed to be added to the list of documents incorporated by reference in the Base Prospectus under the heading "Registration Document" on page 82 of the Base Prospectus as Item 1 and the documents which have previously been incorporated by reference under the same section shall be deemed to be renumbered accordingly:**

"

Seventh Supplement to the 2024 Registration Document dated 11 August 2025 (the "Seventh 2024 Registration Document Supplement").

<https://sp.morganstanley.com/eu/download/prospectus/09b38618-880e-4dd2-ae05-c56f6b987b89>

Part C – Amendments to the "Description of Morgan Stanley" section 7-9

## ÄNDERUNGEN ZUM BASISPROSPEKT

Wichtige neue Umstände und/oder wesentliche Unrichtigkeiten und/oder wesentliche Ungenauigkeiten (wie in Artikel 23 (1) der Prospektverordnung in Bezug genommen) haben sich ergeben, die nach Ansicht der Emittentinnen und der Garantin dazu führen können, dass die Bewertung der Wertpapiere beeinflusst wird. Insofern werden die folgenden Änderungen zum Basisprospekt vorgenommen.

**1. Durch diesen Nachtrag Nr. 5 werden (i) der Aktuelle Bericht von Morgan Stanley auf dem Formular 8-K vom 16. Juli 2025 ("Morgan Stanley Juli 2025 Formular 8-K") (Morgan Stanley Current Report on Form 8-K dated 16 July 2025), (ii) der Morgan Stanley Quartalsbericht auf dem Formular 10-Q für das am 30. Juni 2025 endende Quartal (Morgan Stanley Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2025) und (iii) der Siebte Nachtrag zum Registrierungsformular vom 11. August 2025 (der "Siebte 2024 Registrierungsformularnachtrag") (Seventh Supplement to the 2024 Registration Document dated 11 August 2025) per Verweis einbezogen und sind in Verbindung mit dem Abschnitt "Einbeziehung per Verweis" auf den Seiten 82-100 des Basisprospekts zu lesen.**

**2. Das folgende Dokument ist als in die Liste der per Verweis in den Basisprospekt einbezogenen Dokumente unter der Überschrift "Registrierungsformular" auf Seite 82 des Basisprospekts als Punkt 1 aufgenommen anzusehen und die bereits zuvor unter demselben Abschnitt per Verweis einbezogenen Dokumente sind entsprechend als unnummeriert anzusehen:**

"

Siebter Nachtrag zum 2024 Registrierungsformular vom 11. August 2025 (der "Siebte 2024 Registrierungsformularnachtrag").

(Seventh Supplement to the 2024 Registration Document dated 11 August 2025).

<https://sp.morganstanley.com/eu/download/prospectus/09b38618-880e-4dd2-ae05-c56f6b987b89>

Part C – Amendments to the "Description of Morgan Stanley" section 7-9



Part D – Amendments to the "Description of Morgan Stanley & Co. International plc" section 10-11

Part E – Amendments to the "Description of Morgan Stanley Europe SE" section 12-13

No document incorporated by reference into the Seventh 2024 Registration Document Supplement shall be incorporated by reference into the Base Prospectus.

"

**3. The following documents shall be deemed to be added to the list of documents incorporated by reference in the Base Prospectus under the heading "Financial Information", sub-heading "Morgan Stanley" on page 83, of the Base Prospectus as Items 1 and 2 and the documents which have previously been incorporated by reference under the same section shall be deemed to be renumbered accordingly:**

"

Morgan Stanley Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2025

<https://sp.morganstanley.com/eu/download/prospectus/ce78f611-5bb7-435a-9133-72aa4cf5ed01>

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Part D – Amendments to the "Description of Morgan Stanley & Co. International plc" section 10-11

Part E – Amendments to the "Description of Morgan Stanley Europe SE" section 12-13

Keines der in den Siebten 2024 Registrierungsformular Nachtrag per Verweis einbezogenen Dokumente wird in den Basisprospekt per Verweis einbezogen.

"

**3. Die folgenden Dokumente sind als in die Liste der per Verweis in den Basisprospekt einbezogenen Dokumente unter der Überschrift "Finanzinformationen", Unterüberschrift "Morgan Stanley" auf Seite 83 des Basisprospekts als Punkte 1 und 2 aufgenommen anzusehen und die bereits zuvor unter demselben Abschnitt per Verweis einbezogenen Dokumente sind entsprechend als unnummeriert anzusehen:**

"

Morgan Stanley Quartalsbericht auf dem Formular 10-Q für das am 30. Juni 2025 endende Quartal  
(Morgan Stanley Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2025)

<https://sp.morganstanley.com/eu/download/prospectus/ce78f611-5bb7-435a-9133-72aa4cf5ed01>

Management's Discussion and Analysis of Financial Condition and Results of Operations 4-27

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(page references refer to the relevant page of the PDF document)		(Morgan Stanley July 2025 Form 8-K)	
		(Seitenverweise beziehen sich auf die jeweiligen Seiten des PDF-Dokuments)	
<a href="https://sp.morganstanley.com/eu/download/prospectus/73a6c9d7-e9b5-4864-a886-24ba69f0b4a0">https://sp.morganstanley.com/eu/download/prospectus/73a6c9d7-e9b5-4864-a886-24ba69f0b4a0</a>		<a href="https://sp.morganstanley.com/eu/download/prospectus/73a6c9d7-e9b5-4864-a886-24ba69f0b4a0">https://sp.morganstanley.com/eu/download/prospectus/73a6c9d7-e9b5-4864-a886-24ba69f0b4a0</a>	
Item 2.02: Results of Operations and Financial Condition.	3	Item 2.02: Results of Operations and Financial Condition.	3
Item 9.01: Financial Statements and Exhibits.	3	Item 9.01: Financial Statements and Exhibits.	3
Exhibit 99.1: Press Release of Morgan Stanley, dated July 16, 2025, containing financial information for the quarter ended June 30, 2025	5-13	Exhibit 99.1: Press Release of Morgan Stanley, dated July 16, 2025, containing financial information for the quarter ended June 30, 2025	5-13
Exhibit 99.2: Financial Data Supplement of Morgan Stanley for the quarter ended June 30, 2025	14-31	Exhibit 99.2: Financial Data Supplement of Morgan Stanley for the quarter ended June 30, 2025	14-31
Consolidated Financial Summary (unaudited, dollars in millions)	15	Consolidated Financial Summary (unaudited, dollars in millions)	15
Consolidated Financial Metrics, Ratios and Statistical Data (unaudited)	16	Consolidated Financial Metrics, Ratios and Statistical Data (unaudited)	16
Consolidated and U.S. Bank Supplemental Financial	17	Consolidated and U.S. Bank Supplemental Financial	17

Information (unaudited, dollars in millions)		Information (unaudited, dollars in millions)	
Consolidated Average Common Equity and Regulatory Capital Information (unaudited, dollars in billions)	18	Consolidated Average Common Equity and Regulatory Capital Information (unaudited, dollars in billions)	18
Institutional Securities Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	19	Institutional Securities Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	19
Wealth Management Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	20	Wealth Management Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	20
Wealth Management Financial Information and Statistical Data (unaudited, dollars in billions)	21	Wealth Management Financial Information and Statistical Data (unaudited, dollars in billions)	21
Investment Management Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	22	Investment Management Income Statement Information, Financial Metrics and Ratios (unaudited, dollars in millions)	22
Investment Management Financial Information and Statistical Data (unaudited, dollars in billions)	23	Investment Management Financial Information and Statistical Data (unaudited, dollars in billions)	23
Consolidated Loans and Lending Commitments (unaudited, dollars in billions)	24	Consolidated Loans and Lending Commitments (unaudited, dollars in billions)	24
Consolidated Loans and Lending Commitments Allowance for Credit Losses (ACL) as of June 30, 2025 (unaudited, dollars in millions)	25	Consolidated Loans and Lending Commitments Allowance for Credit Losses (ACL) as of June 30, 2025 (unaudited, dollars in millions)	25
Definition of U.S. GAAP to Non- GAAP Measures	26	Definition of U.S. GAAP to Non- GAAP Measures	26
Definitions of Performance Metrics and Terms	27-28	Definitions of Performance Metrics and Terms	27-28
Supplemental Quantitative Details and Calculations	29-30	Supplemental Quantitative Details and Calculations	29-30
Legal Notice	31	Legal Notice	31
No document incorporated by reference into the Morgan Stanley July 2025 Form 8-K shall be incorporated by reference into the Base Prospectus.		Keines der in das Morgan Stanley Juli 2025 Formular 8-K per Verweis einbezogenen Dokumente wird in den Basisprospekt per Verweis einbezogen.	
"		"	
<b>4. On page 101 of the Base Prospectus, in the section "Ratings" the first and second paragraph shall be deleted in their entirety and shall be replaced by the following:</b>		<b>4. Auf Seite 101 des Basisprospekts im Abschnitt "Ratings" werden der erste und zweite Absatz in Gänze entfernt und wie folgt ersetzt:</b>	

"

Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2025 (on page 22), incorporated by reference, includes details of the long-term and short-term credit ratings assigned to Morgan Stanley by DBRS, Inc. ("**DBRS**"), Fitch Ratings, Inc. ("**Fitch**"), Moody's Investors Service, Inc. ("**Moody's**"), Rating and Investment Information, Inc. ("**R&I**") and S&P Global Ratings ("**S&P**").

As of 31 July 2025, Morgan Stanley's short-term and long-term debt has been respectively rated (i) P-1 and A1, with a stable outlook, by Moody's and (ii) A-2 and A-, with a stable outlook, by S&P and (iii) R-1 (middle) and AA (low), with a stable outlook by DBRS and (iv) F1 and A+, with a stable outlook by Fitch and (v) a-1 and A+, with a stable outlook by R&I.

"

**5. On page 113 of the Base Prospectus, in the section "Significant change in the financial position and in the financial performance" the paragraph "Morgan Stanley" shall be deleted in its entirety and shall be replaced by the following:**

"

#### **Morgan Stanley**

There has been no significant change in the financial position and in the financial performance of Morgan Stanley or the Morgan Stanley Group since 30 June 2025, the date of the latest published quarterly (unaudited) financial statements of Morgan Stanley.

"

**6. On pages 113 and 114 of the Base Prospectus, in the section "Litigation" the sub-section "MSIP" shall be deleted in its entirety and shall be replaced by the following:**

"

#### **MSIP**

Save as disclosed in:

- a) the paragraphs under the heading "Contingencies" under the heading

"

Der per Verweis einbezogene Finanzbericht von Morgan Stanley auf dem Formular 10-Q für das am 30. Juni 2025 beendete Quartal (auf Seite 22) enthält Angaben zu Credit Ratings für langfristige und kurzfristige Verbindlichkeiten, die Morgan Stanley von DBRS, Inc. ("**DBRS**"), Fitch Ratings, Inc. ("**Fitch**"), Moody's Investors Service, Inc. ("**Moody's**"), Rating and Investment Information, Inc. ("**R&I**") und S&P Global Ratings ("**S&P**") vergeben wurden.

Zum 31. Juli 2025 wurden Morgan Stanley's kurzfristige und langfristige Verbindlichkeiten mit (i) P-1 beziehungsweise A1, mit stabilem Ausblick, durch Moody's und (ii) A-2 beziehungsweise A-, mit stabilem Ausblick, durch S&P und (iii) R-1 (middle) beziehungsweise AA (low), mit stabilem Ausblick durch DBRS und (iv) F1 beziehungsweise A+, mit stabilem Ausblick, durch Fitch und (v) a-1 beziehungsweise A+, mit stabilem Ausblick, durch R&I bewertet.

"

**5. Auf Seite 113 des Basisprospekts im Abschnitt "Wesentliche Veränderung in der Finanzlage und in der Ertragslage" wird der Abschnitt "Morgan Stanley" in Gänze entfernt und wie folgt ersetzt:**

"

#### **Morgan Stanley**

Seit dem 30. Juni 2025, dem Stichtag des letzten veröffentlichten (ungeprüften) Quartalsabschlusses von Morgan Stanley, ist es zu keinen wesentlichen Veränderungen in der Finanzlage und in der Ertragslage von Morgan Stanley oder der Morgan Stanley Gruppe gekommen.

"

**6. Auf den Seiten 113 und 114 des Basisprospekts wird im Abschnitt "Rechtsstreitigkeiten" der Unterabschnitt "MSIP" in Gänze entfernt und wie folgt ersetzt:**

"

#### **MSIP**

Mit Ausnahme der Verfahren, die aufgeführt wurden in:

- a) den Absätzen unter der Überschrift "Haftungsverhältnisse" unter der Überschrift

"Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" at pages 124-127 and in the section entitled "Legal Proceedings" at page 154 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2024;

- b) the paragraphs under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" on pages 60-63 and in the section entitled "Legal Proceedings" at page 75 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2025;
- c) the paragraphs under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" at pages 64-66 and the section entitled "Legal Proceedings" at page 78 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2025;
- d) the paragraph entitled "DESCRIPTION OF MORGAN STANLEY & CO. INTERNATIONAL PLC - 7. Legal Proceedings and Contingencies" of the 2024 Registration Document (as supplemented by the Second 2024 Registration Document Supplement, the Fifth 2024 Registration Document Supplement and the Seventh 2024 Registration Document Supplement) on pages 62-63; and
- e) the section entitled "Litigation Matters" and the section entitled "Tax Matters" under the heading "Provisions and Contingent Liabilities" in "Notes to the Consolidated Financial Statements" on pages 93-96 of MSIP's report and financial statements for the year ended 31 December 2024;

there are no, nor have there been, any governmental, legal or arbitration proceedings involving MSIP (including any such proceedings which are pending or

"Verpflichtungen, Garantien und Haftungsverhältnisse" in "Anhang zum Konzernabschluss" auf den Seiten 124-127 und in dem Abschnitt mit der Überschrift "Rechtsstreitigkeiten" auf Seite 154 des Jahresberichts von Morgan Stanley nach dem Formular 10-K für das am 31. Dezember 2024 endende Geschäftsjahr;

- b) den Absätzen unter der Überschrift "Haftungsverhältnisse" unter der Überschrift "Verpflichtungen, Garantien und Haftungsverhältnisse" in "Anhang zum Konzernabschluss (Ungeprüft)" auf den Seiten 60-63 und in dem Abschnitt mit der Überschrift "Rechtsstreitigkeiten" auf Seite 75 des Quartalsberichts von Morgan Stanley auf Formular 10-Q für den am 31. März 2025 endenden Quartalszeitraum;
- c) den Absätzen unter der Überschrift "Haftungsverhältnisse" unter der Überschrift "Verpflichtungen, Garantien und Haftungsverhältnisse" in "Anhang zum Konzernabschluss (Ungeprüft)" auf den Seiten 64-66 und in dem Abschnitt mit der Überschrift "Rechtsstreitigkeiten" auf Seite 78 des Quartalsberichts von Morgan Stanley auf Formular 10-Q für den am 30. Juni 2025 endenden Quartalszeitraum;
- d) dem Abschnitt mit der Überschrift "BESCHREIBUNG VON MORGAN STANLEY & CO. INTERNATIONAL PLC – 7. Rechtsstreitigkeiten und Haftungsverhältnisse" im 2024 Registrierungsformular (wie durch den Zweiten 2024 Registrierungsformularnachtrag, den Fünften 2024 Registrierungsformularnachtrag und den Siebten 2024 Registrierungsformularnachtrag nachgetragen) auf den Seiten 62-63; und
- e) dem Abschnitt mit der Überschrift "Gerichtsverfahren" und dem Abschnitt mit der Überschrift "Steuerverfahren" unter der Überschrift "Rückstellungen und Eventualverbindlichkeiten" in "Anhang zum Konzernabschluss" auf den Seiten 93-96 des MSIP Berichts und Jahresabschlusses für das am 31. Dezember 2024 endende Geschäftsjahr;

gibt bzw. gab es während des 12-Monatszeitraums vor dem Datum des Basisprospekts keine behördlichen, Gerichts-, oder Schiedsverfahren, an denen MSIP beteiligt

threatened of which MSIP is aware) during the 12-month period before the date of the Base Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of MSIP and all of its subsidiaries and associated undertakings.

"

**7. On pages 115 and 116 of the Base Prospectus, in the section "Litigation" the sub-section "MSESE" shall be deleted in its entirety and shall be replaced by the following:**

"

#### **MSESE**

Save as disclosed in:

- a) the paragraphs under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" at pages 124-127 and in the section entitled "Legal Proceedings" at page 154 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2024; and
- b) the paragraphs under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" on pages 60-63 and in the section entitled "Legal Proceedings" at page 75 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2025; and
- c) the paragraphs under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" at pages 64-66 and the section entitled "Legal Proceedings" at page 78 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2025;
- d) the paragraph entitled "DESCRIPTION OF MORGAN STANLEY EUROPE SE - 7. Legal

ist bzw. war (einschließlich anhängiger oder angedrohter Verfahren, von denen MSIP Kenntnis hat), die erhebliche Auswirkungen auf die Finanzlage oder Rentabilität von MSIP und allen ihren Tochter- und verbundenen Unternehmen haben könnten bzw. in jüngster Vergangenheit hatten.

"

**7. Auf den Seiten 115 und 116 des Basisprospekts wird im Abschnitt "Rechtsstreitigkeiten" der Unterabschnitt "MSESE" in Gänze entfernt und wie folgt ersetzt:**

"

#### **MSESE**

Mit Ausnahme der Verfahren, die aufgeführt wurden in:

- a) den Absätzen unter der Überschrift "Haftungsverhältnisse" unter der Überschrift "Verpflichtungen, Garantien und Haftungsverhältnisse" in "Anhang zum Konzernabschluss" auf den Seiten 124-127 und in dem Abschnitt mit der Überschrift "Rechtsstreitigkeiten" auf Seite 154 des Jahresberichts von Morgan Stanley nach dem Formular 10-K für das am 31. Dezember 2024 endende Geschäftsjahr; und
- b) den Absätzen unter der Überschrift "Haftungsverhältnisse" unter der Überschrift "Verpflichtungen, Garantien und Haftungsverhältnisse" in "Anhang zum Konzernabschluss (Ungeprüft)" auf den Seiten 60-63 und in dem Abschnitt mit der Überschrift "Rechtsstreitigkeiten" auf Seite 75 des Quartalsberichts von Morgan Stanley auf Formular 10-Q für den am 31. März 2025 endenden Quartalszeitraum; und
- c) den Absätzen unter der Überschrift "Haftungsverhältnisse" unter der Überschrift "Verpflichtungen, Garantien und Haftungsverhältnisse" in "Anhang zum Konzernabschluss (Ungeprüft)" auf den Seiten 64-66 und in dem Abschnitt mit der Überschrift "Rechtsstreitigkeiten" auf Seite 78 des Quartalsberichts von Morgan Stanley auf Formular 10-Q für den am 30. Juni 2025 endenden Quartalszeitraum;
- d) dem Abschnitt mit der Überschrift "BESCHREIBUNG VON MORGAN STANLEY EUROPE SE - 7.

Proceedings" of the 2024 Registration Document (as supplemented by the Second 2024 Registration Document Supplement, the Fifth 2024 Registration Document Supplement and the Seventh 2024 Registration Document Supplement) on page 76

Rechtsstreitigkeiten" im 2024 Registrierungsformular (wie durch den Zweiten 2024 Registrierungsformularnachtrag, den Fünften 2024 Registrierungsformularnachtrag und den Siebten 2024 Registrierungsformularnachtrag nachgetragen) auf Seite 76;

there are no, nor have there been, any governmental, legal or arbitration proceedings involving MSESE (including any such proceedings which are pending or threatened of which MSESE is aware) during the 12-month period before the date of the Base Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of MSESE.

gibt bzw. gab es während des 12-Monatszeitraums vor dem Datum des Basisprospekts keine behördlichen, Gerichts-, oder Schiedsverfahren, an denen MSESE beteiligt ist bzw. war (einschließlich anhängiger oder angedrohter Verfahren, von denen MSESE Kenntnis hat), die erhebliche Auswirkungen auf die Finanzlage oder Rentabilität von MSESE haben könnten bzw. in jüngster Vergangenheit hatten.

"

"

**8. On pages 116 and 117 of the Base Prospectus, in the section "Litigation" the sub-section "Morgan Stanley" shall be deleted in its entirety and shall be replaced by the following:**

**8. Auf den Seiten 116 und 117 des Basisprospekts wird im Abschnitt "Rechtsstreitigkeiten" der Unterabschnitt "Morgan Stanley" in Gänze entfernt und wie folgt ersetzt:**

"

"

#### **Morgan Stanley**

#### **Morgan Stanley**

Save as disclosed in:

Mit Ausnahme der Verfahren, die aufgeführt wurden in:

- a) (a) the paragraphs under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" at pages 124-127 and in the section entitled "Legal Proceedings" at page 154 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2024; and
- b) the paragraphs under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" on pages 60-63 and in the section entitled "Legal Proceedings" at page 75 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2025; and
- c) the paragraphs under the heading "Contingencies" under the heading

- a) (a) den Absätzen unter der Überschrift "Haftungsverhältnisse" unter der Überschrift "Verpflichtungen, Garantien und Haftungsverhältnisse" in "Anhang zum Konzernabschluss" auf den Seiten 124-127 und in dem Abschnitt mit der Überschrift "Rechtsstreitigkeiten" auf Seite 154 des Jahresberichts von Morgan Stanley nach dem Formular 10-K für das am 31. Dezember 2024 endende Geschäftsjahr; und
- b) den Absätzen unter der Überschrift "Haftungsverhältnisse" unter der Überschrift "Verpflichtungen, Garantien und Haftungsverhältnisse" in "Anhang zum Konzernabschluss (Ungeprüft)" auf den Seiten 60-63 und in dem Abschnitt mit der Überschrift "Rechtsstreitigkeiten" auf Seite 75 des Quartalsberichts von Morgan Stanley auf Formular 10-Q für den am 31. März 2025 endenden Quartalszeitraum; und
- c) den Absätzen unter der Überschrift "Haftungsverhältnisse" unter der

"Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" at pages 64-66 and the section entitled "Legal Proceedings" at page 78 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2025;

- d) the section entitled "DESCRIPTION OF MORGAN STANLEY - 7. Legal Proceedings and Contingencies" of the 2024 Registration Document (as supplemented by the Second 2024 Registration Document Supplement, the Third 2024 Registration Document Supplement and the Seventh 2024 Registration Document Supplement) on page 55;

there are no, nor have there been any, governmental, legal or arbitration proceedings involving Morgan Stanley (including any such proceedings which are pending or threatened of which Morgan Stanley is aware) during the 12-month period before the date of the Base Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley or the Morgan Stanley Group.

"

**9. On pages 117 and 118 of the Base Prospectus, the section "Conflicts of Interest" shall be deleted in its entirety and shall be replaced by the following:**

"

#### **MSIP**

As set out on page 62 of the 2024 Registration Document (as supplemented by the Second 2024 Registration Document Supplement, the Fifth 2024 Registration Document Supplement and the Seventh 2024 Registration Document Supplement), there are no potential conflicts of interests between any duties to MSIP of its directors and their private interests and/or other duties.

#### **MSBV**

As set out on page 66 of the 2024 Registration Document (as supplemented by the Second 2024 Registration Document Supplement, the

Überschrift "Verpflichtungen, Garantien und Haftungsverhältnisse" in "Anhang zum Konzernabschluss (Ungeprüft)" auf den Seiten 64-66 und in dem Abschnitt mit der Überschrift "Rechtsstreitigkeiten" auf Seite 78 des Quartalsberichts von Morgan Stanley auf Formular 10-Q für den am 30. Juni 2025 endenden Quartalszeitraum;

- d) dem Abschnitt mit der Überschrift "BESCHREIBUNG VON MORGAN STANLEY – 7. Rechtsstreitigkeiten und Haftungsverhältnisse" im 2024 Registrierungsformular (wie durch den Zweiten 2024 Registrierungsformularnachtrag, den Dritten 2024 Registrierungsformularnachtrag und den Siebten 2024 Registrierungsformularnachtrag nachgetragen) auf Seite 55;

gibt bzw. gab es während des 12-Monatszeitraums vor dem Datum des Basisprospekts keine behördlichen, Gerichts-, oder Schiedsverfahren, an denen Morgan Stanley beteiligt ist bzw. war (einschließlich anhängiger oder angedrohter Verfahren, von denen Morgan Stanley Kenntnis hat), die erhebliche Auswirkungen auf die Finanzlage oder Rentabilität von Morgan Stanley oder der Morgan Stanley Gruppe haben könnten bzw. in jüngster Vergangenheit hatten.

"

**9. Auf den Seiten 117 und 118 des Basisprospekts wird der Abschnitt "Interessenkonflikte" in Gänze entfernt und wie folgt ersetzt:**

"

#### **MSIP**

Wie auf Seite 62 des 2024 Registrierungsformulars (wie durch den Zweiten 2024 Registrierungsformularnachtrag, den Fünften 2024 Registrierungsformularnachtrag und den Siebten 2024 Registrierungsformularnachtrag nachgetragen) dargelegt, bestehen keine potenziellen Interessenkonflikte zwischen den Pflichten der Mitglieder der Führungsgremien von MSIP gegenüber der Letzteren und deren privaten Interessen und/oder sonstigen Pflichten.

#### **MSBV**

Wie auf Seite 66 des 2024 Registrierungsformulars (wie durch den Zweiten 2024 Registrierungsformularnachtrag, den



Fifth 2024 Registration Document Supplement and the Seventh 2024 Registration Document Supplement), there are no potential conflicts of interests between any duties to MSBV of its directors and their private interests and/or other duties.

#### **MSESE**

As set out on page 75 of the 2024 Registration Document (as supplemented by the Second 2024 Registration Document Supplement, the Fifth 2024 Registration Document Supplement and the Seventh 2024 Registration Document Supplement), there are no potential conflicts of interests between any duties to MSESE of its directors and their private interests and/or other duties.

#### **Morgan Stanley**

As set out on page 49 of the 2024 Registration Document (as supplemented by the Second 2024 Registration Document Supplement, the Fifth 2024 Registration Document Supplement and the Seventh 2024 Registration Document Supplement), there are no potential conflicts of interests between any duties to Morgan Stanley of its directors and their private interests and/or other duties.

"

**10. On page 3 of the Base Prospectus the paragraph beginning with "The CSSF has been requested in its capacity as competent authority under the Prospectus Regulation and the Luxembourg Law on Prospectuses to notify the competent authorities" shall be deleted in its entirety and shall be replaced by the following:**

"

The CSSF has been requested in its capacity as competent authority under the Prospectus Regulation and the Luxembourg Law on Prospectuses to notify the competent authorities of the Republic of Austria ("**Austria**"), the Kingdom of Belgium ("**Belgium**"), the Republic of Bulgaria ("**Bulgaria**"), the Republic of Croatia ("**Croatia**"), the Czech Republic ("**Czechia**"), the Kingdom of Denmark ("**Denmark**"), the Republic of Finland ("**Finland**"), the Republic of France ("**France**"), the Federal Republic of Germany ("**Germany**"), the Republic of Hungary ("**Hungary**"), the Republic of Ireland

Fünften 2024 Registrierungsformularnachtrag und den Siebten 2024 Registrierungsformularnachtrag nachgetragen) dargelegt, bestehen keine potenziellen Interessenkonflikte zwischen den Pflichten der Mitglieder der Führungsgremien von MSBV gegenüber der Letzteren und deren privaten Interessen und/oder sonstigen Pflichten.

#### **MSESE**

Wie auf Seite 75 des 2024 Registrierungsformulars (wie durch den Zweiten 2024 Registrierungsformularnachtrag, den Fünften 2024 Registrierungsformularnachtrag und den Siebten 2024 Registrierungsformularnachtrag nachgetragen) dargelegt, bestehen keine potenziellen Interessenkonflikte zwischen den Pflichten der Mitglieder der Führungsgremien von MSESE gegenüber der Letzteren und deren privaten Interessen und/oder sonstigen Pflichten.

#### **Morgan Stanley**

Wie auf Seite 49 des 2024 Registrierungsformulars (wie durch den Zweiten 2024 Registrierungsformularnachtrag, den Fünften 2024 Registrierungsformularnachtrag und den Siebten 2024 Registrierungsformularnachtrag nachgetragen) dargelegt, bestehen keine potenziellen Interessenkonflikte zwischen den Pflichten der Mitglieder der Führungsgremien von Morgan Stanley gegenüber der Letzteren und deren privaten Interessen und/oder sonstigen Pflichten.

"

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"

**Intentionally left blank**

("Ireland"), the Republic of Italy ("Italy"), the Principality of Liechtenstein ("Liechtenstein"), the Republic of Poland ("Poland"), Romania ("Romania"), the Slovak Republic ("Slovakia"), the Kingdom of Spain ("Spain"), and the Kingdom of Sweden ("Sweden") with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with Article 8 of the Prospectus Regulation.

"

"

**11. On page 21 of the Base Prospectus the paragraph below the headline "Notification of the Base Prospectus" shall be deleted in its entirety and shall be replaced by the following:**

**Intentionally left blank**

"

"

The Issuers have applied for a notification of the Base Prospectus into Austria, Belgium, Bulgaria, Croatia, Czechia, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Liechtenstein, Poland, Romania, Slovakia, Spain and Sweden.

**Intentionally left blank**

"

"

**12. On page 120 of the Base Prospectus the first paragraph shall be deleted in its entirety and shall be replaced by the following:**

**Intentionally left blank**

"

"

Such consent may be given to one or more (individual consent) specified financial intermediary/intermediaries, as stated in the Final Terms, and, in addition to the Grand Duchy of Luxembourg, for the following member states, into which the Base Prospectus has been notified: Austria and/or Belgium and/or Bulgaria and/or Croatia and/or Czechia and/or Denmark and/or Finland and/or France and/or Germany and/or Hungary and/or Ireland and/or Italy and/or Liechtenstein and/or Poland and/or Romania and/or Slovakia and/or Spain and/or Sweden.

**Intentionally left blank**

"

"

**13. On page 357 of the Base Prospectus the right hand column of item "8. Non-exempt Offer" shall be deleted in its entirety and shall be replaced by the following:**

**Intentionally left blank**

"

"

[Not applicable] [An offer of Notes may be made other than pursuant to the exemptions set out in Article 1 (4) of the Prospectus

**Intentionally left blank**

Regulation in [the Grand Duchy of Luxembourg ("Luxembourg")] [and][,] [the Republic of Austria ("Austria")] [and][,] [the Kingdom of Belgium ("Belgium")] [and][,] [the Republic of Bulgaria ("Bulgaria")] [and][,] [the Republic of Croatia ("Croatia")] [and][,] [the Czech Republic ("Czechia")] [and][,] [the Kingdom of Denmark ("Denmark")] [and][,] [the Republic of Finland ("Finland")] [and][,] [the Republic of France ("France")] [and][,] [the Federal Republic of Germany ("Germany")] [and][,] [the Republic of Hungary ("Hungary")] [and][,] [the Republic of Ireland ("Ireland")] [and][,] [the Republic of Italy ("Italy")] [and][,] [the Principality of Liechtenstein ("Liechtenstein")] [and][,] [the Republic of Poland ("Poland")] [and][,] [Romania ("Romania")] [and][,] [the Slovak Republic ("Slovakia")] [and][,] [the Kingdom of Spain ("Spain")] [and][,] [the Kingdom of Sweden ("Sweden")] (the "Public Offer Jurisdiction[s]") from, and including, [●] to, and including, [●] (the "Offer Period").][from, and including, the issue date of the Notes to, and including, the expiry of the validity of the base prospectus for Fixed Income Notes in relation to the German Programme for Medium Term Securities immediately succeeding the Base Prospectus, which is expected to be [●].]]

"

"

**14. On page 358 of the Base Prospectus the right hand column of the paragraph "Individual consent for the subsequent resale or final placement of the Notes by the financial intermediar[y][ies] is given in relation to" in item "11. Consent to use the Base Prospectus" shall be deleted in its entirety and shall be replaced by the following:**

**Intentionally left blank**

"

"

[Not applicable] [Luxembourg] [,] [and] [Austria] [Belgium] [Bulgaria] [Croatia] [Czechia] [Denmark] [Finland] [France] [Germany] [Hungary] [Ireland] [Italy] [Liechtenstein] [Poland] [Romania] [Slovakia] [Spain] [Sweden] [The Public Offer Jurisdiction[s]]

**Intentionally left blank**

"

"

**15. On page 428 of the Base Prospectus below the ultimate paragraph, the following shall be inserted:**

**10. Auf Seite 428 des Basisprospekts wird unter dem letzten Absatz das Folgende eingefügt:**

"

"

## IX. Taxation in the Republic of Italy

The following is a general discussion of certain Italian tax aspects related to certain categories of investors in the Securities and it does not cover other matters and all the possible categories of investors in the Securities. Moreover, it does not purport to be a complete analysis of all Italian tax considerations relating to the Securities and, in particular, it does not consider any specific facts or circumstances that may apply to a particular investor and could have an impact taxwise. Furthermore, it does not cover the tax regime of any possible (i) coupon stripping or (ii) payment by Guarantor. This general overview only considers direct owners of the Securities and further assumes that the direct investors are the "beneficial owners", as understood in accordance with Italian tax law, of the Securities and any interest thereof.

This general discussion assumes that the Securities are (i) ordinary debt instruments for Italian tax purposes (*titoli simili alle obbligazioni*), (ii) not instruments (neither as underlying) whose proceeds are linked to the economic performance of the Issuer or of other companies belonging to the same group of the Issuer or of the business in relation to which the instruments have been issued (*titoli simili alle azioni*) and (iii) not certificates representing insurance plans (*polizze assicurative*) or goods (*certificati rappresentativi di merce*) or participating financial instruments (*strumenti finanziari partecipativi*). Furthermore, it is assumed that no Security (i) can be considered as a crypto asset for Italian tax purpose, (ii) can be qualified as a unit of an investment fund, even according to the anti-abuse of law principle, (iii) represents the value of immovable properties located in Italy or (iii) is issued in digital form (*strumenti finanziari in forma digitale*).

In this context, sales are assumed to be sales to a third party (i.e. sales to a non-

## IX. Besteuerung in der Italienischen Republik

Nachstehend sind allgemeine Erläuterungen zu bestimmten Aspekten des italienischen Steuerrechts wiedergegeben, die bestimmte Kategorien von Anlegern in die Wertpapiere betreffen und nicht alle Angelegenheiten und alle möglichen Kategorien von Anlegern in die Wertpapiere behandeln. Darüber hinaus sollen sie keine vollständige Analyse aller italienischen steuerlichen Erwägungen in Verbindung mit den Wertpapieren umfassen und behandeln insbesondere keine spezifischen Fakten oder Umstände, die einen einzelnen Anleger betreffen können und steuerliche Auswirkungen haben könnten. Des Weiteren behandeln sie keine Steuervorschriften für (i) ein mögliches Coupon Stripping oder (ii) eine mögliche Zahlung der Garantin. Diese allgemeine Übersicht berücksichtigt nur die direkten Eigentümer der Wertpapiere und geht davon aus, dass die Direktanleger die "wirtschaftlichen Eigentümer" der Wertpapiere und deren Zinsen im Sinne des italienischen Steuerrechts sind.

Diese allgemeine Erläuterung geht davon aus, dass es sich bei den Wertpapieren (i) um gewöhnliche Schuldtitel für italienische Steuerzwecke (*titoli simili alle obbligazioni*) handelt, (ii) nicht um Instrumente (auch nicht als Basiswert), deren Erlöse an die wirtschaftliche Entwicklung der Emittentin oder anderer Gesellschaften, die derselben Unternehmensgruppe angehören wie die Emittentin, oder der Unternehmen, für die die Instrumente ausgegeben wurden, gebunden sind (*titoli simili alle azioni*) und (iii) nicht um Zertifikate (*certificati rappresentativi di merce*) handelt, die Versicherungspolicen (*polizze assicurative*) oder Waren repräsentieren oder partizipierende Finanzinstrumente (*strumenti finanziari partecipativi*). Außerdem wird davon ausgegangen, dass kein Wertpapier (i) für italienische Steuerzwecke als Kryptowert angesehen werden kann, (ii) als Anteil an einem Investmentfonds qualifiziert werden kann, auch nicht nach dem Grundsatz des Rechtsmissbrauchs, (iii) den Wert von in Italien belegenen Immobilien darstellt oder (iii) in digitaler Form (*strumenti finanziari in forma digitale*) ausgegeben wird.

In diesem Zusammenhang wird davon ausgegangen, dass es sich bei den

affiliated party) and any transaction is assumed to be at arm's length terms and is assumed to be on a cash basis (i.e. not a conversion to shares, a waiver of debt or similar). Furthermore, it is assumed that the issuer of the Securities is not affiliated with any of the investors, that the investment and holding of the Securities does not constitute tax abuse as understood in accordance with the Italian tax law.

The following overview does not provide any information with respect to the tax treatment of any underlying assets.

Furthermore, this general discussion assumes that the Issuers are respectively resident for tax purposes only of the U.K., of Germany and of the Netherlands (without a permanent establishment in Italy).

The following information is based on the law of Italy currently in force on the date of the Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect. Issuers will not update this summary to reflect any changes in law or in the interpretation of law and if any such changes occur the information in this summary could become invalid.

In Italy, in the context of Next Generation EU (Recovery and Resilience Plan), on 9 August 2023 the Italian Parliament approved Law 111/2023 with the guidelines enabling the Government to introduce a comprehensive tax reform, (also referred to the taxation of income from capital and capital gains on financial instruments (hereinafter "2023 Tax Reform Framework"). The latter part of the reform, if approved according to the 2023 Tax Reform Framework, will have a deep impact on the taxation of the Securities and therefore on this overview.

In brief, under the 2023 Tax Reform Framework the Italian Parliament approved a set of general principles for a full reform of the Italian tax system. In this context, in the context here of major interest, art. 5, par. 1, lett. c) of Law

Verkäufen um Verkäufe an einen Dritten handelt (d. h. Verkäufe an eine nicht verbundene Partei) und dass jede Transaktion zu marktüblichen Bedingungen und auf Bargeldbasis erfolgt (d. h. keine Umwandlung in Aktien, kein Forderungsverzicht oder Ähnliches). Darüber hinaus wird davon ausgegangen, dass der Emittent der Wertpapiere mit keinem der Anleger verbunden ist und dass die Anlage und der Besitz der Wertpapiere keinen steuerlichen Missbrauch im Sinne des italienischen Steuerrechts darstellen.

Die folgende Übersicht gibt keine Auskunft über die steuerliche Behandlung der zugrunde liegenden Basiswerte.

Diese allgemeine Erläuterung geht weiter davon aus, dass die Emittentinnen für Steuerzwecke jeweils ausschließlich im Vereinigten Königreich, in Deutschland und in den Niederlanden ansässig sind (ohne eine Betriebsstätte in Italien).

Die nachstehenden Informationen basieren auf dem zum Datum des Basisprospekts in Italien geltenden Recht, die – möglicherweise auch rückwirkenden – Änderungen unterworfen sind. Die Emittentinnen werden diese Zusammenfassung nicht aktualisieren, um etwaige Gesetzesänderungen oder Änderungen in der Auslegung von Gesetzen zu berücksichtigen, und, soweit solche Änderungen eintreten, könnten die in dieser Zusammenfassung enthaltenen Informationen ihre Gültigkeit verlieren.

In Italien hat das italienische Parlament im Zusammenhang mit dem Next Generation EU (Europäischer Aufbauplan) am 9. August 2023 das Gesetz 111/2023 mit den Leitlinien verabschiedet, die es der Regierung ermöglichen, eine umfassende Steuerreform einzuführen (auch bezogen auf die Besteuerung von Einkünften aus Kapital und Kapitalgewinnen aus Finanzinstrumenten) (im Folgenden "Steuerreformrahmen 2023"). Der letzte Teil der Reform wird, wenn sie gemäß dem Steuerreformrahmen 2023 verabschiedet wird, tiefgreifende Auswirkungen auf die Besteuerung der Wertpapiere und damit auch auf diese Übersicht haben.

Zusammenfassend lässt sich sagen, dass das italienische Parlament unter dem Steuerreformrahmen 2023 eine Reihe allgemeiner Grundsätze für eine umfassende Reform des italienischen Steuersystems verabschiedet. In diesem

111/2023 has enabled the Government to reshape the taxation of financial income, inter alia introducing a single category that includes both earnings from capital (par. 1 below) and financial capital gains (par. 2 below), determining financial income exclusively under a cash-principal basis and allowing for the possibility of offsetting income and losses, as well as related charges and costs, and carrying forward any excess losses to subsequent fiscal years. This part of the reform is still currently under discussion and could be deeply modified during its *iter*.

With regard to certain types of Securities, neither official statements of the tax authorities nor court decisions exist, and it is not clear how these Securities will be qualified and treated taxwise. Furthermore, there is often no consistent view in legal literature and case-law about the tax treatment of instruments like the Securities, and it is neither intended nor possible to mention all different views in the following overview. Where reference is made to statements of the tax authorities, it should be noted that the tax authorities may change their view even with retroactive effect and that the tax courts are not bound by clarifications issued by the tax authorities and, therefore, may take a different view. Even if court decisions exist with regard to certain types of instruments like the Securities, it is not certain that the same reasoning will apply to the Securities due to certain peculiarities of such Securities. Furthermore, the tax authorities may restrict the application of judgements of tax courts or their clarifications to the individual case with regard to which the specific judgement or clarification was rendered or could disregard, for tax purposes, the qualification of the financial instrument according to the abuse-of-law principle.

Considering the high variety of different types of instruments possibly included in the definition of Securities, even if the

Zusammenhang, der hier von besonderem Interesse ist, hat Art. 5, Abs. 1, Buchstabe c) des Gesetzes 111/2023 der Regierung die Möglichkeit gegeben, die Besteuerung von Finanzerträgen neu zu regeln, unter anderem durch die Einführung einer einzigen Kategorie, die sowohl Kapitaleinkünfte (Abs. 1 unten) als auch Kapitalgewinne (Abs. 2 unten) umfasst, wobei die Finanzerträge ausschließlich nach dem Kassenprinzip ermittelt werden und die Möglichkeit besteht, Erträge und Verluste sowie damit zusammenhängende Aufwendungen und Kosten zu verrechnen und etwaige Verlustüberschüsse auf die folgenden Steuerjahre vorzutragen. Dieser Teil der Reform wird derzeit noch erörtert und könnte in ihrem Verlauf noch stark verändert werden.

Für bestimmte Arten von Wertpapieren liegen weder offizielle Stellungnahmen der Steuerbehörden noch Gerichtsurteile vor, und es ist unklar, wie diese Wertpapiere qualifiziert und steuerlich behandelt werden. Darüber hinaus bestehen in der Rechtsliteratur und in der Rechtsprechung oftmals keine einheitlichen Ansichten zur steuerlichen Behandlung von Instrumenten wie den Wertpapieren, und es ist weder beabsichtigt noch möglich, alle unterschiedlichen Ansichten in dieser Übersicht wiederzugeben. Soweit auf Stellungnahmen der Steuerbehörden Bezug genommen wird, ist zu beachten, dass die Steuerbehörden ihre Meinung auch rückwirkend ändern könnten, und dass die Finanzgerichtshöfe nicht an Erläuterungen der Steuerbehörden gebunden sind und daher andere Ansichten vertreten könnten. Selbst wenn in Bezug auf bestimmte Arten von Instrumenten wie den Wertpapieren Gerichtsurteile existieren, ist aufgrund bestimmter Besonderheiten der Wertpapiere nicht sicher, dass bei den Wertpapieren dieselbe Argumentation Anwendung finden wird. Des Weiteren könnten die Steuerbehörden die Anwendbarkeit von Urteilen der Finanzgerichtshöfe oder deren Begründung auf den konkreten Einzelfall beschränken, in dem das jeweilige Urteil oder die Begründung ergangen ist, oder sie können die Einstufung des Finanzinstruments aus steuerlichen Gründen nach dem Grundsatz des Rechtsmissbrauchs außer Acht lassen.

Angesichts der vielen verschiedenen Arten von Instrumenten, die unter die Definition der Wertpapiere fallen könnten, ist dieser

following paragraphs refer to “Securities” this tax section cannot be considered as a representation of the Italian tax implications of all the possible instruments possibly included in such definition but it has to be considered only as an high level overview of the main Italian tax implications in general terms related to debt financial instruments (i.e. other than shares or similar) for certain categories of investors.

The tax regime related to any Security shall have to be verified, from time to time, by the potential Holder (and its advisors) taking into consideration the specific terms and conditions of the relevant Security and the status of the investor.

Therefore, prospective investors in the Securities are advised to consult their own tax advisors as to the tax consequences of the acquisition, ownership and disposal of Securities, including the effect of any state or local taxes, under the tax laws of Italy and each country of which they are residents or may otherwise be liable to tax. Only these advisors will be able to appropriately take into account the details relevant to the taxation of the respective holders of the Securities.

The Holder shall be liable for all present and future taxes and duties that become payable by law on the Securities and/or the related interest, premiums and other income or gain. As a consequence, all payments in respect of the Securities shall be made by the Issuer net of any withholding or substitute tax that may be applicable pursuant to prevailing legislation. More specifically the Holder shall be liable for all taxes payable on the interest, premiums and other income received or receivable or gain from the Issuer or other parties intervening in the payment of such interest, premiums and other income or gain.

Certain legal concepts are expressed also in Italian. Any legal concept expressed by using the relevant Italian term shall prevail

Abschnitt zur Besteuerung nicht als eine Darstellung der Auswirkungen für Zwecke der italienischen Besteuerung aller Instrumente, die möglicherweise unter diese Definition fallen könnten, anzusehen, sondern vielmehr als eine allgemeine Übersicht über die wesentlichen Auswirkungen, die sich für bestimmte Kategorien von Anlegern für Zwecke der italienischen Besteuerung in Verbindung mit Schuldtiteln (d.h. mit Ausnahme von Aktien oder ähnlichen Instrumenten) ergeben anzusehen, auch wenn in den nachstehenden Absätzen auf „Wertpapiere“ Bezug genommen wird.

Die Steuervorschriften müssen durch den potenziellen Inhaber (und seine Berater) jeweils für jedes Wertpapier unter Berücksichtigung der spezifischen Bedingungen des betreffenden Wertpapiers und des Status des Anlegers überprüft werden.

Daher wird potenziellen Anlegern in die Wertpapiere geraten, ihre eigenen Steuerberater zu den steuerlichen Konsequenzen des Erwerbs, des Besitzes und der Veräußerung von Wertpapieren zu konsultieren, einschließlich der Auswirkungen einzelstaatlicher oder kommunaler Steuern nach dem Steuerrecht Italiens und jedes Landes, in denen sie jeweils ansässig oder anderweitig steuerpflichtig sind. Nur diese Berater können die für die Besteuerung der jeweiligen Inhaber von Wertpapieren relevanten Einzelheiten angemessen berücksichtigen.

Die Inhaber unterliegen allen gegenwärtigen und künftigen Steuern und Abgaben, die per Gesetz auf die Wertpapiere und/oder die damit verbundenen Zinsen, Aufgelder und sonstigen Einkünfte oder Erträge zahlbar sind. Folglich erfolgen alle Zahlungen der Emittentin auf die Wertpapiere nach Abzug von Quellen- oder Ersatzsteuern, die nach den geltenden Gesetzen anwendbar sind. Insbesondere unterliegen die Inhaber allen Steuern, die auf Zinsen, Aufgelder und sonstige Einkünfte oder Erträge anfallen, die von der Emittentin oder anderen bei der Zahlung dieser Zinsen, Aufgelder oder sonstigen Einkünfte oder Erträge eingeschalteten Parteien geleistet werden oder zu leisten sind.

Einige Rechtsbegriffe werden auch auf Italienisch ausgedrückt. Jeder Rechtsbegriff, der durch die Verwendung

over the corresponding concept expressed in English term.

## 1. Earnings from capital

### a) Investors resident in Italy

The Securities may be subject to different tax regimes depending on whether:

- (i) they represent debt instruments (*titoli di massa*) that incorporate an unconditional obligation to pay, at redemption, an amount not lower than their nominal value and which do not grant the holder any direct or indirect right of participation to (or of control of) management of the Issuer or of the business in relation to which they have been issued (the "**Bonds**"); or
- (ii) they are financial instruments other than (i) Bonds or (ii) shares or securities similar to shares ("*azioni o titoli simili alle azioni*") within the meaning of Article 44 of Italian Presidential Decree 22 December 1986, No. 917 (respectively "**atypical securities**" and "**TUIR**").

### Taxation of Bonds

Legislative Decree no. 239 of 1 April 1996 (the "**Decree No 239/1996**"), as subsequently amended and supplemented, governs the fiscal treatment of interest, premiums and other income (including any differences between the issue and redemption prices, the "**Interest**") deriving from Securities falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli simili alle obbligazioni*) issued, *inter alia*, by non-Italian resident issuers and duly deposited with an Intermediary (as defined below).

If an investor resident in Italy is (i) an individual not engaged in an entrepreneurial activity to which the relevant Securities are connected, (ii) a partnership or similar entity, other than a *società in nome collettivo*, *società in accomandita semplice* or similar, as

des entsprechenden italienischen Begriffs ausgedrückt wird, hat Vorrang vor dem entsprechenden Begriff, der im englischen Begriff ausgedrückt wird.

## 1. Kapitaleinkünfte

### a) In Italien ansässige Anleger

Die Wertpapiere können unterschiedlichen Steuervorschriften unterliegen, je nachdem, ob:

- (i) es sich um Schuldtitel (*titoli di massa*) handelt, die bei Rückzahlung eine unbedingte Verpflichtung zur Zahlung eines Betrags beinhalten, der mindestens ihrem Nennwert entspricht, und die ihrem Inhaber keine direkten oder indirekten Rechte zur Beteiligung an (oder Kontrolle) der Geschäftsführung der Emittentin oder des Unternehmens, für das die Wertpapiere ausgegeben wurden, einräumen (die "**Teilschuldverschreibungen**"); oder
- (ii) es sich um Finanzinstrumente handelt, die keine (i) Teilschuldverschreibungen oder (ii) Aktien oder aktienähnliche Wertpapiere ("*azioni o titoli simili alle azioni*") im Sinne von Artikel 44 der italienischen Präsidialverordnung Nr. 917 (*decreto del presidente della repubblica n. 917*) vom 22. Dezember 1986 (jeweils "**atypische Wertpapiere**" und "**TUIR**") sind.

### Besteuerung von Schuldverschreibungen

Die steuerliche Behandlung von Zinsen, Aufgeldern und sonstigen Einkünften (einschließlich der Differenz zwischen Ausgabe- und Rückzahlungspreis, die "**Zinsen**") aus Wertpapieren, die unter die Kategorie Schuldverschreibungen (*obbligazioni*) oder mit diesen vergleichbare Obligationen (*titoli simili alle obbligazioni*) fallen, die u.a. durch nicht in Italien ansässige Emittenten ausgegeben werden und ordnungsgemäß bei einem Finanzintermediär (wie nachstehend definiert) hinterlegt werden, ist in der Gesetzvertretenden Verordnung Nr. 239 (*decreto legislativo n. 239*) vom 1. April 1996 ("**Gesetzvertretende Verordnung Nr. 239/1996**") in jeweils aktueller Fassung geregelt.

Soweit ein in Italien ansässiger Anleger (i) eine natürliche Person ist, die keiner Geschäftstätigkeit nachgeht, mit der die betreffenden Wertpapiere in Verbindung stehen, (ii) eine Personengesellschaft oder ein vergleichbares Unternehmen ist, soweit es sich



per article 5 of TUIR, (iii) a non-commercial private or public entity pursuant to article 73 and 74 of TUIR other than collective investment undertakings, (iv) an investor exempt from Italian corporate income tax, Interest relating to the Securities, accrued during the holding period, are subject to a substitutive tax, referred to as "*imposta sostitutiva*", levied at the rate of 26 per cent. In such cases, according to certain clarifications issued by tax authority the foreign tax credit does not apply under domestic law. However, any application of double tax treaty shall have to be verified on a case-by case-basis.

If an investor in category (i) or (iii) holds the Securities as part of its business activities, Interest are included in the computation of the investor's business income and the *imposta sostitutiva* applies as a provisional tax and may be deducted from the total amount of income tax due.

Subject to certain limitations and requirements (including *inter alia* a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the securities if the securities are included in a long-term savings account (*piano di risparmio a lungo termine* or, in brief, **PIR**) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of 11 December 2016 (the "**Finance Act 2017**") as amended by (i) Article 1(211-215) of Law No. 145 of 30 December 2018 (the "**Finance Act 2019**"), (ii) Decree 30 April 2019 for long-term savings accounts established as from 1 January 2019, (iii) Article 13-bis of Law Decree No. 124 of 26 October 2019 (converted into law, with amendments, by Law No. 157 of 19 December 2019), (iv) Article 136 (1) of Law Decree No. 34 of 19 May 2020 (converted, with amendments, into Law No. 77 of 17 July 2020) for long-term savings accounts established as from 2020 (*Pir Alternativi*), (v) Article 68 (1), Law Decree No. 104 of 14 August 2020, converted, with amendments, in Law No. 126 of 13 October 2020, introducing an extension of the relevant plafond for *Pir Alternativi*, (vi) Article 1 (219-226), Law No. 178 of 30 December 2020, for long-term

nicht um eine "*società in nome collettivo*", "*società in accomandita semplice*" oder eine ähnliche Gesellschaftsform gemäß Artikel 5 der **TUIR** handelt, (iii) eine nicht kommerzielle private oder öffentliche Körperschaft gemäß Artikel 73 und 74 der TUIR ist, soweit es sich nicht um ein kollektives Anlageunternehmen handelt, oder (iv) ein von der italienischen Körperschaftsteuer befreiter Anleger ist, unterliegen die während der Haltedauer der Wertpapiere aufgelaufenen Zinsen einer Ersatzsteuer (*imposta sostitutiva*) mit einem Satz von 26%. In solchen Fällen sind aufgrund bestimmter steuerbehördlicher Erlasse im Ausland gültige Steuerfreibeträge nach nationalem Recht nicht anwendbar. Jede Anwendung von Doppelbesteuerungsabkommen muss jedoch jeweils im Einzelfall überprüft werden.

Soweit ein Anleger der Kategorie (i) oder (iii) die Wertpapiere im Rahmen einer Geschäftstätigkeit hält, werden Zinsen in die Berechnung seiner Geschäftseinkünfte einbezogen, und die Ersatzsteuer findet als eine vorläufige Steuer Anwendung und kann vom fälligen Gesamtbetrag der Einkommenssteuer abgezogen werden.

Vorbehaltlich bestimmter Einschränkungen und Anforderungen (einschließlich, unter anderem, einer Mindesthaltedauer) können in Italien ansässige natürliche Personen, die nicht im Rahmen einer Unternehmertätigkeit handeln, von der Einkommensbesteuerung auf Zinsen, Aufgelder und sonstige Einkünfte in Verbindung mit den Wertpapieren, einschließlich der Ersatzsteuer befreit werden, wenn die Wertpapiere in ein langfristiges Sparkonto (*piano di risparmio a lungo termine* oder abgekürzt, *PIR*) einbezogen sind, das den Anforderungen gemäß Artikel 1(100-114) des Gesetzes Nr. 232 vom 11. Dezember 2016 (das "**Finanzgesetz 2017**"), wie durch (i) Artikel 1(211-215) des Gesetzes Nr. 145 vom 30. Dezember 2018 (das "**Finanzgesetz 2019**"), (ii) Rechtsverordnung vom 30. April 2019 für Festgeldkonten die vor dem 1. Januar 2019 eröffnet wurden, (iii) Artikel 13-bis des Gesetzesdekrets Nr. 124 vom 26. Oktober 2019 (mit Änderungen durch das Gesetz Nr. 157 vom 19. Dezember 2019 in ein Gesetz umgewandelt), (iv) Artikel 136 (1) des Gesetzesdekrets Nr. 34 vom 19. Mai 2020 (mit Änderungen umgewandelt in das Gesetz Nr. 77 vom 17. Juli 2020) für langfristige Sparkonten, die ab 2020 eingerichtet werden (*Pir Alternativi*), (v) Artikel 68 (1) der Gesetzesverordnung Nr. 104 vom 14. August 2020, mit Änderungen umgewandelt in das Gesetz Nr. 126 vom 13. Oktober 2020, mit dem

savings accounts established as from 2020, (vii) Article 1 (26, 27, 912), Law No. 234 of 30 December 2021, which increase the thresholds as from 1 January 2022 for *PIR Ordinari*, eliminate certain limits for *Pir Alternativi* and modify certain aspects related to the tax credit on capital losses introduced, under certain conditions, by the latter provisions of law, (viii) Article 8-quinquies Law Decree 18 October 2023, No. 145 (converted into Law 15 December 2023 No. 191) which broadens the scope of the *PIR Ordinari* regime.

If a resident investor is a company or a commercial entity (including permanent establishments in Italy of non-resident investors to which the Securities are connected) and the Securities are deposited with an Intermediary, the Interest is not liable for substitutive tax but is included in the computation of the recipient's total income for corporate income tax purposes.

On 14 December 2022 Council Directive (EU) 2022/2523 (implementing "**Pillar 2**") has been approved to ensure a "global minimum level" of taxation for multinational enterprise groups and large-scale domestic groups in the Union (so called GLOBE rules).

Pillar 2 has been implemented in Italy, as from 1 January 2024, with Legislative Decree 27 December 2023, No 209. On 17 February 2025 the Ministry of Economy and Finance issued the guidelines for the application of the "minimum global tax". The Decree approved on 25 February 2025 (published on 6 March 2025) sets the reporting requirement under the "global minimum tax". The entry into force of the GLOBE rules is expected to have a substantial impact on the taxation of multinational and large-scale domestic groups.

Furthermore, in the context of the anti-hybrid rules of the European anti-tax avoidance directives ("**ATAD**" and "**ATAD 2**") - implemented in Italy by Articles 6-11 of

eine Erweiterung des relevanten Plafond für *Pir Alternativi* eingeführt wird, (vi) Artikel 1 (219-226) des Gesetzes Nr. 178 vom 30. Dezember 2020 für langfristige Sparkonten, die ab 2020 eingerichtet werden, (vii) Artikel 1 (26, 27, 912), Gesetz Nr. 234 vom 30. Dezember 2021, das die Schwellenwerte ab dem 1. Januar 2022 für *PIR Ordinari* erhöht, bestimmte Grenzen für *Pir Alternativi* aufhebt und bestimmte Aspekte im Zusammenhang mit der Steuergutschrift für Kapitalverluste ändert, die unter bestimmten Bedingungen durch die letztgenannten Bestimmungen des Gesetzes eingeführt wurden, und (viii) Artikel 8-quinquies des Gesetzesdekrets Nr. 145 vom 18. Oktober 2023 (umgewandelt in das Gesetz Nr. 191 vom 15. Dezember 2023), das den Anwendungsbereich der *PIR Ordinari*-Regelung erweitert.

Soweit es sich bei einem gebietsansässigen Anleger um eine Gesellschaft oder um ein kommerzielles Unternehmen handelt (einschließlich Betriebsstätten in Italien von nicht gebietsansässigen Anlegern, mit denen die Wertpapiere in Verbindung stehen) und die Wertpapiere bei einem Finanzintermediär verwahrt werden, unterliegen die Zinsen nicht der Ersatzsteuer, sondern werden in die Berechnung der Gesamteinkünfte des Empfängers für Zwecke der Körperschaftsteuer einbezogen.

Am 14. Dezember 2022 wurde die Richtlinie (EU) 2022/2523 des Rates (zur Umsetzung der "**2. Säule**") verabschiedet, um ein "globales Mindestniveau" der Besteuerung für multinationale Unternehmensgruppen und große inländische Konzerne in der Union zu gewährleisten (die sogenannten GLOBE-Regeln).

Die 2. Säule wurde in Italien mit dem Gesetzesdekret Nr. 209 vom 27. Dezember 2023 mit Wirkung zum 1. Januar 2024 umgesetzt. Am 17. Februar 2025 hat das Ministerium für Wirtschaft und Finanzen die Leitlinien für die Anwendung der „globalen Mindeststeuer“ herausgegeben. Das am 25. Februar 2025 verabschiedete Dekret (veröffentlicht am 6. März 2025) legt die Meldepflichten im Rahmen der "globalen Mindeststeuer" fest. Das Inkrafttreten der GLOBE-Regeln dürfte erhebliche Auswirkungen auf die Besteuerung multinationaler und großer inländischer Konzerne haben.

Darüberhinaus helfen im Zusammenhang mit den Anti-Hybrid-Vorschriften der Anti-Steuervermeidungsrichtlinien der EU ("**ATAD**" und "**ATAD 2**") - in Italien umgesetzt durch die

Legislative Decrees 142/2018 - starting from 2022 also contain rules to counteract tax avoidance practices and hybrid mismatch arrangements apply.

As to the anti-hybrid mismatch rules, the goal is to "neutralize" the effects of sophisticated arrangements that exploit differences in the tax treatment (for example of a hybrid entity or financial instrument) under the laws of two or more jurisdictions. In essence, the aim is to prevent any (A) double deduction and (B) deduction without inclusion outcomes. On 6 December 2024, the Italian Ministry of Finance issued a decree implementing the requirements to apply a penalty protection regime for hybrid mismatch assessments.

With the same anti-avoidance purpose, a proposal for a Council Directive has been approved on 22 December 2021, laying down rules to prevent the use of "shell entities" for tax purposes (focusing on certain level of minimum substance) and amending Directive 2011/16/EU (so called "**ATAD 3**"). According to Article 5 of ATAD 3, the proposal - once adopted as a Directive - was initially intended to be transposed into Member States' national law by 30 June 2023 and come into effect as of 1 January 2024. However, on 11 February 2025, the European Commission adopted its Work Programme for 2025 and – according to Annex III – the ATAD 3 proposal is still categorized as pending.

Furthermore, in certain circumstances, depending on the nature of the investor, the recipient's income is liable also to IRAP – the regional tax on productive activities – (*imposta regionale sulle attività produttive*). However, as from 1 January 2022, IRAP is not more applicable to individuals according to Article 1 (8), Law 234 of 30 December 2021. The exemption could be broadened by the mentioned tax reform currently under discussion (Article 8 of the 2023 Tax Reform Framework).

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001 ("**Decree 351**"), as clarified by the Italian Revenue Agency (*Agenzia delle Entrate*) inter alia through Circular No. 47/E of 8 August 2003

Artikel 6-11 der Gesetzesdekrete 142/2018 - ab 2022 auch bestimmte Vorschriften zur Bekämpfung von Steuervermeidungspraktiken und hybriden Gestaltungen.

Was die Vorschriften zur Bekämpfung hybrider Gestaltungen betrifft, so besteht das Ziel darin, die Auswirkungen ausgeklügelter Vereinbarungen zu "neutralisieren", die Unterschiede in der steuerlichen Behandlung (z. B. eines hybriden Unternehmens oder Finanzinstruments) nach den Gesetzen von zwei oder mehr Ländern ausnutzen. Im Wesentlichen geht es darum, (A) einen doppelten Abzug und (B) einen Abzug ohne Einbeziehung zu verhindern. Am 6. Dezember 2024 hat das italienische Finanzministerium ein Dekret zur Umsetzung der Anforderungen für die Anwendung einer Strafschutzregelung für die Bewertung hybrider Steuergestaltungen erlassen.

Mit dem gleichen Ziel der Bekämpfung von Steuervermeidung wurde am 22. Dezember 2021 ein Vorschlag für eine Richtlinie des Rates angenommen, die Vorschriften zur Verhinderung der Verwendung von "Briefkastengesellschaften" für Steuerzwecke (mit Schwerpunkt auf einem bestimmten Mindestmaß an Substanz) und zur Änderung der Richtlinie 2011/16/EU (so genannte "**ATAD 3**") enthält. Gemäß Artikel 5 der ATAD 3 sollte der Vorschlag - sobald er als Richtlinie angenommen ist – ursprünglich bis zum 30. Juni 2023 in das nationale Recht der Mitgliedstaaten umgesetzt werden und am 1. Januar 2024 in Kraft treten. Am 11. Februar 2025 verabschiedete die Europäische Kommission jedoch ihr Arbeitsprogramm für 2025, und gemäß Anhang III ist der ATAD-3-Vorschlag weiterhin als "anhängig" eingestuft.

Darüber hinaus können unter bestimmten Umständen, je nach Anlegerkategorie, die Einkünfte des Empfängers auch der IRAP – der regionalen Wertschöpfungssteuer – (*imposta regionale sulle attività produttive*) unterliegen. Ab dem 1. Januar 2022 ist die IRAP jedoch gemäß Artikel 1 Absatz 8 des Gesetzes 234 vom 30. Dezember 2021 nicht mehr auf natürliche Personen anwendbar. Die Befreiung könnte durch die erwähnte Steuerreform, die derzeit diskutiert wird, ausgeweitet werden (Artikel 8 des Steuerreformrahmens 2023).

Nach den derzeitigen Vorschriften im Rahmen der Rechtsverordnung Nr. 351 (*decreto legge n. 351*) vom 25. September 2011, die mit Änderungen in das Gesetz Nr. 410 vom 23. November 2001 überführt wurde ("**Rechtsverordnung Nr. 351**"), in der durch die italienische Steuerbehörde (*Agenzia delle*

and Circular No. 11/E of 28 March 2012, payments of Interest made to Italian resident real estate investment funds (which satisfy the regulatory requirements to qualify as undertakings for collective investments) established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14 *bis* of Law No. 86 of 25 January 1994 and Italian Real Estate SICAFs are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the real estate fund, but, generally, subsequent distributions made in favour of unitholders or shareholders are subject, in certain circumstances, to a withholding tax of 26 per cent. Furthermore, under some conditions, incomes realised by the real estate funds are subject to taxation in the hands of unitholders or shareholders regardless of the distribution of the proceeds. In case of a unitholder which is not resident in Italy the application of a double tax treaty shall have to be verified.

If the investor is an investment fund (other than a real estate fund) established in Italy and either (i) the fund or (ii) its manager is subject to the supervision of a regulatory authority (the "**Italian Fund**"), and the relevant Securities are deposited with an authorised intermediary, under certain procedures, Interest accrued during the holding period on the Securities will not be subject to *imposta sostitutiva*, at the fund level, but must be included in the management results of the Italian Fund. The Italian Fund will not be subject to income taxation on such results but a withholding tax (generally of 26 per cent.) will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the "**Collective Investment Fund Substitute Tax**") (being it understood that such withholding may be definitive or on account of the final tax payment depending on the recipient's legal form). A specific regime is provided for non-resident unitholders; regime to be verified on a case-by-case basis.

A particular regime was introduced as from 2020 in relation to European Long Term Investment Fund ("**ELTIF**") but the latter has been abolished by Law Decree No. 34 of 19

*Entrate*) unter anderem mit Rundschreiben Nr. 47/E vom 8. August 2003 und Rundschreiben Nr. 11/E vom 28. März 2012 erläuterten Fassung unterliegen Zinsenzahlungen, die an in Italien ansässige Immobilienfonds (welche den regulatorischen Anforderungen für eine Einstufung als Organismus zur gemeinsamen Anlage entsprechen), die gemäß Artikel 37 der Gesetzvertretenden Verordnung Nr. 58 (*decreto legislativo n. 58*) vom 24. Februar 1998 in der jeweils geänderten und ergänzten Fassung und Artikel 14 *bis* des Gesetzes Nr. 86 vom 25. Januar 1994 errichtet wurden, sowie an italienische Immobilien-SICAFs geleistet werden, aufseiten des Immobilienfonds weder der Ersatzsteuer noch einer anderen Einkommensteuer, wobei jedoch spätere Ausschüttungen zugunsten von Anteilsinhabern unter bestimmten Umständen einer Quellensteuer von 26% unterliegen. Darüber hinaus unterliegen von den Immobilienfonds erzielte Einkünfte in einigen Fällen unabhängig von einer Ausschüttung der Erlöse der Besteuerung aufseiten der Anteilsinhaber. Bei Anteilinhabern die nicht in Italien ansässig sind, muss die Anwendung eines Doppelbesteuerungsabkommens überprüft werden.

Soweit ein Anleger ein Investmentfonds (ausgenommen eines Immobilienfonds) mit Sitz in Italien ist und entweder (i) der Fonds oder (ii) der jeweilige Manager der Aufsicht durch eine Regulierungsbehörde untersteht (der "**Italienische Fonds**") und die betreffenden Wertpapiere bei einem zugelassenen Finanzintermediär hinterlegt werden, unterliegen die während der Haltedauer auflaufenden Zinsen auf Fondsebene nicht der Ersatzsteuer, sind jedoch in das Verwaltungsergebnis des Italienischen Fonds einzubeziehen. Der Italienische Fonds unterliegt auf dieses Ergebnis nicht der Einkommensbesteuerung, es findet jedoch unter bestimmten Umständen eine Quellensteuer (allgemein von 26 %) auf Ausschüttungen zugunsten der Anteilsinhaber Anwendung (die "**Investmentfonds-Ersatzsteuer**") (wobei dieser Steuereinbehalt, je nach Rechtsform des Empfängers, entweder als vollständige Steuerabgeltung oder als Vorauszahlung auf die endgültige Steuerzahlung fungiert). Für nicht ansässige Anteilsinhaber ist eine spezifische Regelung vorgesehen; diese ist jeweils im Einzelfall zu prüfen.

Eine spezifisches Gesetzesregime wurde ab 2020 in Bezug auf den Europäischen Langfristigen Investitionsfonds ("**ELTIF**") eingeführt, aber letzterer wurde durch den

May 2020 (converted, with amendments, into Law No. 77 of 17 July 2020) as a consequence of the extension of the above mentioned PIR regime.

If the investor is a pension fund (subject to the regime provided by article 17 of Legislative Decree no. 252 of 5 December 2005) and the Securities are deposited with an Intermediary, the Interest accruing during the period of ownership is not liable to the above-mentioned lieu tax, but must be included in the yearly accrued result of the fund, recognised at the end of each tax period, liable to an ad hoc lieu tax generally of 20 per cent. annual substitute tax. According to the 2023 Tax Reform Framework, if so implemented, the taxable base of pension funds shall be modified to be determined exclusively under a cash-principal basis (Art. 5, par. 1, lett. d), n. 9).

Subject to certain limitations and requirements (including inter alia a minimum holding period), Italian pension funds regulated under Legislative Decree No. 252 of 5 December 2005 and social security institutions, regulated under Legislative Decree No. 509 of 30 June 1994, and Legislative Decree No. 103 of 10 February 1996, may be exempt from any income taxation on interest, premium and other income relating to the securities if, inter alia, the securities are included in a long-term savings account (*piano di risparmio a lungo termine* or PIR) that meets the requirements set forth in Article 1 (88, 92, 100-114) of Finance Act 2017 as amended by (i) Article 1(210) of the Finance Act as from 1 January 2019, (ii) Decree 30 April 2019 for long-term savings accounts established as from 1 January 2019, (iii) Article 13-bis of Law Decree No. 124 of 26 October 2019 (converted into law, with amendments, by Law No. 157 of 19 December 2019) and (iv) Article 136 (1) of Law Decree No. 34 of 19 May 2020 (converted, with amendments, into Law No. 77 of 17 July 2020) for long-term savings accounts established as from 2020 (*Pir Alternativi*), (v) Article 68 (1), Law Decree No. 104 of 14 August 2020, converted, with amendments, in Law No. 126 of 13 October 2020, introducing an extension of the relevant plafond for *Pir Alternativi*, (vi)

Gesetzeserlass Nr. 34 vom 19. Mai 2020 (mit Änderungen umgesetzt in das Gesetz Nr. 77 vom 17. Juli 2020) als Folge der Verlängerung der oben genannten PIR-Regelung abgeschafft.

Soweit es sich bei einem Anleger um einen Pensionsfonds handelt (der den Regelungen gemäß Artikel 17 der Gesetzvertretenden Verordnung Nr. 252 (*decreto legislativo n. 252*) vom 5. Dezember 2005 unterliegt) und die Wertpapiere bei einem Finanzintermediär verwahrt werden, unterliegen die während des Zeitraums der Eigentümerschaft auflaufenden Zinsen nicht der vorgenannten Ersatzsteuer, sondern müssen in das zum Ende jedes Besteuerungszeitraums jährlich erfasstes Ergebnis des Fonds einbezogen werden, das grundsätzlich einer jährlichen ad hoc-Ersatzsteuer von 20% unterliegt. Nach dem Steuerreformrahmen 2023, sofern dieser umgesetzt wird, soll die Steuerbemessungsgrundlage von Pensionsfonds dahingehend geändert werden, dass sie ausschließlich nach dem Kassenprinzip ermittelt werden (Art. 5, Abs. 1, lit. d), Nr. 9).

Vorbehaltlich bestimmter Einschränkungen und Anforderungen (einschließlich, unter anderem, einer Mindesthaltedauer) können italienische Pensionsfonds die der Gesetzvertretenden Verordnung Nr. 252 (*decreto legislativo n. 252*) vom 5. Dezember 2005 unterliegen und Sozialversicherungsinstitute, die der Gesetzvertretenden Verordnung Nr. 509 (*decreto legislativo n. 509*) vom 30. Juni 1994 und der Gesetzvertretenden Verordnung Nr. 103 (*decreto legislativo n. 103*) vom 10. Februar 1996 unterliegen, von der Einkommensbesteuerung auf Zinsen, Aufgelder und sonstige Einkünfte in Verbindung mit den Wertpapieren befreit werden, wenn, unter anderem, die Wertpapiere in ein langfristiges Sparkonto (*piano di risparmio a lungo termine* oder *PIR*) einbezogen sind, das den Anforderungen gemäß Artikel 1 (88, 92, 100-114) des Finanzgesetzes 2017, wie geändert durch (i) Artikel 1(210) Finanzgesetz vom 1 Januar 2019, (ii) Rechtsverordnung vom 30. April 2019 für Festgeldkonten die vor dem 1. Januar 2019 eröffnet wurden, (iii) Artikel 13-bis des Gesetzesdekrets Nr. 124 vom 26. Oktober 2019 (mit Änderungen durch das Gesetz Nr. 157 vom 19. Dezember 2019 in ein Gesetz umgewandelt) und (iv) Artikel 136 (1) des Gesetzesdekrets Nr. 34 vom 19. Mai 2020 (mit Änderungen umgewandelt in das Gesetz Nr. 77 vom 17. Juli 2020) für langfristige

Article 1 (226), Law No. 178 of 30 December 2020, for long-term savings accounts established as from 2020 and (viii) Article 16, par. 10, Legislative Decree 3 August 2022 No. 114 on pan-European Personal Pension Product (PEPP), (ix) Article 33 Law 16 December 2024, n. 193.

Furthermore, subject to certain limitations and requirements (including *inter alia* a minimum holding period), Italian pension funds regulated under Legislative Decree No. 252 of 5 December 2005 and social security institutions regulated under Legislative Decree No. 509 of 30 June 1994, and Legislative Decree No. 103 of 10 February 1996, may be exempt from any income taxation on distribution made by certain collective investment funds which mainly invests in some specific qualified assets and hold (not mainly) Securities.

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, SIMs, fiduciary companies, SGRs, stockbrokers and other entities identified by a decree of the Ministry of Economy and Finance (each an "Intermediary").

An Intermediary must (a) be resident in Italy (or – under certain conditions – non-resident) and (b) intervene, in any way, in the collection of interest or in the transfer of the Securities. For the purpose of the application of the *imposta sostitutiva*, a transfer of Securities includes, *inter alia*, any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Securities or in a change of the Intermediary with which the Securities are deposited or the withdrawal of the relevant Security from the deposit. The relevant procedure to apply the 239-regime shall have to be verified on a case-by-case basis.

Sparkonten, die ab 2020 eingerichtet werden (*Pir Alternativi*); (v) Artikel 68 (1) der Gesetzesverordnung Nr. 104 vom 14. August 2020, mit Änderungen umgewandelt in das Gesetz Nr. 126 vom 13. Oktober 2020, mit dem eine Erweiterung des relevanten Plafond für *Pir Alternativi* eingeführt wird, (vi) Artikel 1 (226) des Gesetzes Nr. 178 vom 30. Dezember 2020 für langfristige Sparkonten, die ab 2020 eingerichtet werden, und (viii) Artikel 16 Absatz 10 des Gesetzesdekrets Nr. 114 vom 3. August 2022 über paneuropäische persönliche Altersvorsorgeprodukte (PEPP), (ix) Artikel 33 des Gesetzes Nr. 193 vom 16. Dezember 2024.

Darüber hinaus können, vorbehaltlich bestimmter Einschränkungen und Anforderungen (einschließlich, unter anderem, einer Mindesthaltedauer), italienische Pensionsfonds die der Gesetzvertretenden Verordnung Nr. 252 (*decreto legislativo n. 252*) vom 5. Dezember 2005 unterliegen, und Sozialversicherungsinstitute, die der Gesetzvertretenden Verordnung Nr. 509 (*decreto legislativo n. 509*) vom 30. Juni 1994 und der Gesetzvertretenden Verordnung Nr. 103 (*decreto legislativo n. 103*) vom 10. Februar 1996 unterliegen, von der Einkommensbesteuerung auf die Ausschüttungen bestimmter Investmentfonds befreit werden, die überwiegend in bestimmte geeignete Vermögenswerte investieren und (nicht in erster Linie) Wertpapiere halten.

Gemäß Verordnung Nr. 239 (*decreto n. 239*), findet die Ersatzsteuer Anwendung auf Banken, SIMs (*società di intermediazione mobiliare*), Treuhandgesellschaften, SGRs, Börsenmakler und andere Körperschaften, die in einer Verordnung des Ministeriums für Wirtschaft und Finanzen benannt sind (jeweils ein "Finanzintermediär").

Ein Finanzintermediär muss (a) in Italien ansässig (oder unter bestimmten Bedingungen nicht ansässig) sein und (b) in irgendeiner Weise in die Vereinnahmung von Zinsen oder die Übertragung der Wertpapiere eingeschaltet sein. Für Zwecke der Anwendung der Ersatzsteuer beinhaltet eine Übertragung von Wertpapieren unter anderem eine Abtretung oder eine andere entgeltliche oder unentgeltliche Maßnahme, die zu einem Wechsel des Eigentums an den betreffenden Wertpapieren oder des Finanzintermediärs, bei dem diese Wertpapiere verwahrt werden, oder zu einer Entnahme des betreffenden Wertpapiers aus der Verwahrung führt. Das einschlägige Verfahren zur Anwendung der Regelung 239 ist jeweils im Einzelfall zu

Where the Securities are not deposited with an Intermediary, the 26 per cent tax is directly applied by the taxpayer. This specific situation shall have to be verified on a case-by-case basis.

### **Taxation of atypical securities**

Atypical securities may be subject to a withholding tax, levied at the rate of 26 per cent. (final or on account based on specific circumstances) in respect of interest and other proceeds, pursuant to Law Decree as of 30 September 1983, n. 512 (converted with law 25 November 1983, n. 649) as amended. The foreign tax credit is generally denied in case of final withholding tax; however, this aspect shall have to be verified on a case-by-case basis.

Pursuant to Article 8 of Law Decree No. 512/1983 the 26 per cent. withholding tax mentioned above does not apply in respect of an Italian resident Holder of Securities which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution, but the relevant Interest or proceeds must be treated as part of their taxable income subject to ordinary taxation.

#### **b) Non-resident investors**

No Italian *imposta sostitutiva* is applied on payments of Interest to a non-Italian resident/established Holder of interest, premium and other income relating to Securities paid by a non-Italian resident Issuer without a permanent establishment in Italy.

New tax residence rules have been introduced by Legislative Decree 27 December 2023, No. 209.

## **2. Taxation of capital gains**

### **a) Investors resident in Italy**

Any gain, to be determined on a case-by-case basis, obtained in relation to the Securities if realised (i) by an Italian company or (ii) a commercial entity (including the Italian permanent establishment of foreign entities to which the Securities are connected) or (iii) Italian resident individuals engaged in an

prüfen.

Soweit die Wertpapiere nicht bei einem Finanzintermediär verwahrt werden, wird die Steuer in Höhe von 26 % unmittelbar vom Steuerpflichtigen erhoben. Diese Sonderregelung muss im Einzelfall geprüft werden.

### **Besteuerung atypischer Wertpapiere**

Atypische Wertpapiere können einer Quellensteuer unterliegen, die mit einem Satz von 26% (endgültig oder als Vorauszahlung aufgrund bestimmter Umstände) gemäß der Rechtsverordnung Nr. 512 (*decreto legge n. 512*) vom 30. September 1983 (überführt in das Gesetz Nr. 649 vom 25. November 1983) auf Zinsen und sonstige Erlöse erhoben wird. Der im Ausland gültige Steuerfreibetrag wird bei einer Quellsteuer grundsätzlich nicht gewährt; dies ist jedoch jeweils im Einzelfall zu prüfen.

Gemäß Artikel 8 der Rechtsverordnung Nr. 512/1983 (*decreto legge n. 512/1983*) findet die vorgenannte 26%ige Quellensteuer keine Anwendung auf in Italien ansässige Inhaber von Wertpapieren, bei denen es sich um (i) Unternehmen oder vergleichbare kommerzielle Betriebe (einschließlich der Betriebsstätten ausländischer Unternehmen in Italien), (ii) kommerzielle Partnerschaften oder (iii) private oder öffentliche kommerzielle Einrichtungen handelt, jedoch sind die betreffenden Zinsen oder Erlöse als Teil ihrer steuerpflichtigen Einkünfte, die der normalen Besteuerung unterliegen, zu behandeln.

#### **b) Nicht-gebietsansässige Anleger**

Auf Zahlungen von Zinsen, Aufgeldern und sonstigen Erträgen in Verbindung mit den Wertpapieren an nicht in Italien ansässige/etablierte Inhaber durch einen nicht in Italien ansässigen Emittenten ohne Betriebsstätte in Italien findet keine italienische Ersatzsteuer Anwendung.

Mit dem Gesetzesdekret Nr. 209 vom 27. Dezember 2023 wurden neue Vorschriften zur Steueransässigkeit eingeführt.

## **2. Besteuerung von Kapitalgewinnen**

### **a) In Italien ansässige Anleger**

In Verbindung mit den Wertpapieren erzielte Gewinne, die von Fall zu Fall zu bestimmen sind, und die von (i) italienischen Unternehmen oder (ii) kommerziellen Betrieben (einschließlich der Betriebsstätten ausländischer Unternehmen in Italien, mit denen die Wertpapiere in Verbindung stehen)

entrepreneurial activity to which the Securities are connected, would be treated as part of the taxable income of the beneficial owner subject to ordinary taxation for income tax purposes. In certain cases, also IRAP applies. As from 1 January 2022, IRAP is not more applicable to individuals according to Article 1 (8), Law 234 of 30 December 2021. The exemption could be broadened according to the 2023 Tax Reform Framework.

In certain circumstances, if a financial instrument is qualified as derivative, also capital gains accrued at their fair value could be subject to income taxation according to Article 112 TUIR.

Where an Italian resident Holder is (i) an individual not holding the Securities in connection with an entrepreneurial activity; (ii) a non-commercial partnership not holding the Securities in connection with any business activity; (iii) a non-commercial private or public institution not holding the Securities in connection with any business activity, any gain, to be determined on a case-by-case basis, realised by such Holder in relation to the Securities, under certain conditions would be subject to an *imposta sostitutiva*, levied at the current rate of 26 per cent. pursuant to the provisions set forth by the Legislative Decree of the 21 November 1997, No. 461 ("**Decree 461**"). According to art. 1, par. 24, Law 30 December 2024 n. 207 (the **2025 Budget Law**) the capital gain tax on crypto assets is increased to 33% starting from January 1, 2026.

Specific provisions of law (and clarifications) govern the determination of the taxable base, to be analysed on a case-by-case basis.

In certain circumstances (*inter alia* if and to the extent that a financial instrument may be qualified as derivative from an Italian tax perspective) under the joint provisions of articles 67 (c-quinquies) and 68 (9) of the

oder (iii) von in Italien ansässigen natürlichen Personen realisiert werden, die einer Unternehmertätigkeit nachgehen, mit denen die Wertpapiere in Verbindung stehen, würden als Teil der zu versteuernden Einkünfte des wirtschaftlich Berechtigten behandelt, welche der normalen Einkommensteuer unterliegen. In bestimmten Fällen kommt auch die IRAP zur Anwendung. Ab dem 1. Januar 2022 ist die IRAP gemäß Artikel 1 (8) des Gesetzes 234 vom 30. Dezember 2021 nicht mehr auf natürliche Personen anwendbar. Die Befreiung könnte durch den Steuerreformrahmen 2023 ausgeweitet werden.

Wenn ein Finanzinstrument als Derivat qualifiziert wird, können unter bestimmten Umständen auch Kapitalgewinne, die zu ihrem beizulegenden Fair Value Preis anfallen, gemäß Artikel 112 TUIR der Einkommensbesteuerung unterliegen.

Soweit ein in Italien ansässiger Anleger (i) eine natürliche Person ist, die die Wertpapiere nicht in Verbindung mit einer Unternehmertätigkeit hält; (ii) eine nicht-kommerzielle Partnerschaft, die die Wertpapiere nicht im Zusammenhang mit einer Geschäftstätigkeit hält; oder (iii) eine nicht-kommerzielle private oder öffentliche Einrichtung ist, die die Wertpapiere nicht im Zusammenhang mit einer Geschäftstätigkeit hält, würden die von einem solchen Inhaber in Verbindung mit den Wertpapieren erzielten Gewinne, die von Fall zu Fall zu bestimmen sind, unter bestimmten Umständen einer Ersatzsteuer unterliegen, die mit einem aktuellen Satz von 26% nach Maßgabe der Bestimmungen der Gesetzvertretenden Verordnung Nr. 461 (*decreto legislativo n. 461*) vom 21. November 1997 ("**Gesetzvertretende Verordnung Nr. 461**") erhoben wird. Gemäß Art. 1, Abs. 24, Gesetz Nr. 207 vom 30. Dezember 2024 (das **Haushaltsgesetz 2025**) wird die Kapitalertragsteuer auf Krypto-Vermögenswerte ab dem 1. Januar 2026 auf 33% erhöht.

Die Bestimmung der Steuerbemessungsgrundlage, die von Fall zu Fall zu prüfen ist, unterliegt besonderen gesetzlichen Bestimmungen (und Erläuterungen).

Unter bestimmten Umständen (unter anderem wenn, und insoweit ein Finanzinstrument für Zwecke der italienischen Besteuerung als Derivative eingestuft werden könnte) ist die steuerliche Bemessungsgrundlage der Ersatzsteuer nach den Bestimmungen von Artikel 67 (c-quinquies) und 68 (9) der TUIR



TUIR (and further amendments thereof), the taxable base of *imposta sostitutiva*:

- in case Securities which are physically settled, takes into consideration the fair market value; and
- in case Securities which are cash settled, takes into consideration the algebraic sum of the positive and negative settlements, with all the relevant proceeds and charges.

The foreign tax credit is generally denied but this aspect shall have to be verified on a case-by-case basis.

There is a certain level of uncertainty on the moment in which the *imposta sostitutiva* applies and the possibility to offset capital losses. In any case the taxable base for the taxation of capital gain shall have to be verified on a case-by-case basis.

In respect of the application of the *imposta sostitutiva*, Holders under (i) to (iii) above, under certain conditions, may opt for one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is generally the default regime for the relevant Holders, 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 relevant Holders pursuant to all sale, disposal, transfer, or redemptions of securities carried out during any given tax year. Relevant Holders must indicate the overall capital gains realised in any tax year, net of any available relevant capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, relevant Holders may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale, disposal, transfer or redemption of the relevant Securities (the "**risparmio amministrato**" regime). Such separate taxation of capital gains is allowed

(und deren Ergänzungen):

- im Falle von Wertpapieren mit physischer Abwicklung wird der Verkehrswert herangezogen; und
- im Falle von Wertpapieren mit Barabwicklung wird die algebraische Summe der positiven und negativen Abwicklungsbeträge unter Berücksichtigung aller relevanten Erlöse und Kosten herangezogen.

Der im Ausland gültige Steuerfreibetrag wird grundsätzlich abgelehnt, jedoch ist dies jeweils im Einzelfall zu prüfen.

Es besteht eine gewisse Unsicherheit hinsichtlich des Zeitpunkts, zu dem die *imposta sostitutiva* Anwendung findet, sowie hinsichtlich der Möglichkeit, Kapitalverluste auszugleichen. In jedem Fall ist die Bemessungsgrundlage für die Besteuerung von Kapitalerträgen jeweils im Einzelfall zu überprüfen.

Bezüglich der Anwendung der Ersatzsteuer können sich die vorstehend unter (i) bis (iii) genannten Inhaber unter bestimmten Umständen für eines der drei nachstehend beschriebenen Verfahren entscheiden.

Beim Steuererklärungsverfahren (*regime della dichiarazione*), dem in der Regel auf die betreffenden Inhaber anwendbaren Standardverfahren, fällt die Ersatzsteuer auf kumulativer Basis auf alle von den betreffenden Inhabern aus Veräußerung, Verfügung, Übertragung oder Rückzahlung von Wertpapieren während eines Steuerjahres realisierten Kapitalgewinnen nach Abzug der entsprechenden Kapitalverluste an. Die betreffenden Inhaber müssen die in jedem Steuerjahr realisierten Kapitalgewinne nach Abzug von Kapitalverlusten in ihrer Steuererklärung angeben und die Ersatzsteuer auf diese Gewinne zusammen mit der für dieses Jahr noch fälligen Einkommensteuer entrichten. Kapitalverluste, die die Kapitalgewinne übersteigen, können vorgetragen und gegen die in einem der vier folgenden Steuerjahre realisierten Kapitalgewinne angerechnet werden.

Als Alternative zum Steuererklärungsverfahren können sich die betreffenden Inhaber dafür entscheiden, die Ersatzsteuer für jeden aus der Veräußerung, Verfügung, Übertragung oder Rückzahlung der betreffenden Wertpapiere realisierten Kapitalgewinn separat zu zahlen (das "**Risparmio Amministrato-Verfahren**").

subject inter alia to (i) Securities being deposited with Italian banks, SIMs or certain authorised financial intermediaries (including permanent establishments in Italy of foreign intermediaries); and (ii) an express election for the *risparmio amministrato* regime being timely made in writing by the relevant Holder. The intermediary is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale, disposal, transfer or redemption of Securities (as well as in respect of capital gains realised upon the revocation of its mandate), net of any available relevant capital loss, and is required to pay the amount due to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Holder or using funds provided by the Holder for this purpose. Under the *risparmio amministrato* regime, where a sale, disposal or transfer or redemption of Securities results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Holder is not required to declare the capital gains in its annual tax return.

According to a certain line of reasoning, transfer of tax residence abroad implies a deemed disposal of financial investment.

Any capital gains realised by Holders who have entrusted the management of their financial assets, including the Securities, to an authorised intermediary and have opted for the so called "risparmio gestito" regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary using funds provided by the Holder. Under the *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the Holder is not

Diese separate Besteuerung von Kapitalgewinnen ist zulässig, soweit, unter anderem, (i) die Wertpapiere bei einer italienischen Bank, einer SIM (*società di intermediazione mobiliare*) oder bestimmten zugelassenen Finanzintermediären (einschließlich der Betriebsstätten ausländischer Finanzintermediäre in Italien) verwahrt werden und (ii) der betreffende Anleger sich rechtzeitig in schriftlicher Form ausdrücklich für das *Risparmio Amministrato*-Verfahren entschieden hat. Der Intermediär ist für die Abrechnung der Ersatzsteuer auf die Kapitalgewinne nach Abzug der relevanten Kapitalverluste verantwortlich, die aus jeder Veräußerung, Verfügung, Übertragung oder Rückzahlung der Wertpapiere realisiert werden (sowie auf Kapitalgewinne, die nach Widerruf ihres Mandats realisiert werden), und hat den fälligen Betrag im Namen des Steuerzahlers an die italienischen Steuerbehörden zu entrichten, indem sie die entsprechende Summe von den dem Inhaber gutzuschreibenden Erlösen abzieht oder die für diesen Zweck vom Inhaber bereitgestellten Mittel verwendet. Nach dem *Risparmio Amministrato*-Verfahren kann, soweit eine Veräußerung, Verfügung, Übertragung oder Rückzahlung von Wertpapieren zu einem Kapitalverlust führt, ein solcher Verlust bei derselben Wertpapierverwaltungsstelle im selben Steuerjahr oder bis zum vierten darauffolgenden Steuerjahr von später realisierten Kapitalgewinnen abgezogen werden. Im Rahmen des *Risparmio Amministrato*-Verfahrens müssen die Inhaber die Kapitalgewinne nicht in ihrer jährlichen Steuererklärung angeben.

Nach einer bestimmten Argumentationslinie setzt die Verlegung des steuerlichen Wohnsitzes ins Ausland eine fiktive Veräußerung der Finanzinvestition voraus.

Alle Kapitalgewinne, die von Inhabern realisiert werden, der die Verwaltung seines finanziellen Vermögens, einschließlich der Wertpapiere, einem zugelassenen Finanzintermediär übertragen und sich für das so genannte "*risparmio gestito*"-Regime entschieden hat, werden in die Berechnung der jährlichen Wertsteigerung des am Jahresende aufgelaufenen, auch wenn nicht realisierten verwalteten Vermögens einbezogen, vorbehaltlich einer Ersatzsteuer von 26 %, die von dem zugelassenen Finanzintermediär aus vom Inhaber zur Verfügung gestellten Mitteln zu zahlen ist. Nach dem *risparmio gestito* Regime kann jede Verringerung der am Jahresende aufgelaufenen verwalteten Vermögenswerte gegen Wertsteigerung der in

required to declare the capital gains realised in its annual tax return.

According to the 2023 Tax Reform Framework, if so implemented, the taxable income from financial instruments would be determined only on a cash basis and would be directly applied in the annual income tax return by the taxpayer, save for an option for a "simplified regime" under which the substitute tax is applied by an intermediary.

According to 2023 Tax Reform Framework, if so implemented, intermediaries shall have to disclose information to the Italian Revenue Agency in relation to taxpayers who do not opt for the "simplified regime" (Article 5, par. 1, lett. d), n. 7, Law 11/2023).

Subject to certain limitations and requirements (including *inter alia* a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Securities if the Securities are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Finance Act 2017 as amended by (i) Article 1(211-215) of the Finance Act 2019, (ii) Decree 30 April 2019 for long-term savings accounts established as from 1 January 2019, (iii) Article 13-bis of Law Decree No. 124 of 26 October 2019 (converted into law, with amendments, by Law No. 157 of 19 December 2019), (iv) Article 136 (1) of Law Decree No. 34 of 19 May 2020 (converted, with amendments, into Law No. 77 of 17 July 2020) for long-term savings accounts established as from 2020 (*Pir Alternativi*), (v) Article 68 (1), Law Decree No. 104 of 14 August 2020, converted, with amendments, in Law No. 126 of 13 October 2020, introducing an extension of the relevant plafond for *Pir Alternativi*, (vi) Article 1 (219-226), Law No. 178 of 30 December 2020, for long-term savings accounts established as from 2020, (vii) Article 1 (26, 27, 912), Law No. 234 of 30 December 2021, which increase the thresholds as from 1 January 2022 for *PIR Ordinari*, eliminate certain limits for *Pir Alternativi* and modify the tax credit on capital

einem der vier folgenden Steuerjahre aufgelaufenen verwalteten Vermögenswerte vorgetragen werden. Nach dem *risparmio gestito*-Regime ist der Inhaber nicht verpflichtet, die realisierten Kapitalgewinne in seiner jährlichen Steuererklärung anzugeben.

Nach dem Steuerreformrahmen 2023, sofern dieser umgesetzt wird, würden die steuerpflichtigen Einkünfte aus Finanzinstrumentennur auf Kassenbasis ermittelt und vom Steuerpflichtigen direkt in der jährlichen Einkommensteuererklärung geltend gemacht werden, mit Ausnahme einer Option für eine "vereinfachte Regelung" vor, bei der die Ersatzsteuer von einem Intermediär erhoben wird.

Gemäß dem Steuerreformrahmen 2023, sofern dieser umgesetzt wird, müssen Intermediärer der italienischen Steuerbehörde Informationen über Steuerzahler offenlegen, die sich nicht für die „vereinfachte Regelung“ entscheiden (Artikel 5, Absatz 1, Buchstabe d), Nr. 7, Gesetz 11/2023).

Vorbehaltlich bestimmter Einschränkungen und Anforderungen (einschließlich, unter anderem, einer Mindesthaltedauer) können in Italien ansässige natürliche Personen, die keiner Unternehmertätigkeit nachgehen, von der italienischen Kapitalgewinnsteuer, einschließlich der Ersatzsteuer, auf Kapitalgewinne, die aus der Veräußerung oder Rückzahlung der Wertpapiere realisiert werden, befreit werden, wenn die Wertpapiere in ein langfristiges Sparkonto (*piano di risparmio a lungo termine*) einbezogen sind, das den Anforderungen gemäß Artikel 1(100-114) des Finanzgesetzes 2017, wie durch (i) Artikel 1(210) Finanzgesetz 2019, (ii) Rechtsverordnung vom 30. April 2019 für Festgeldkonten die vor dem 1. Januar 2019 eröffnet wurden, (iii) Artikel 13-bis des Gesetzesdekrets Nr. 124 vom 26. Oktober 2019 (mit Änderungen durch das Gesetz Nr. 157 vom 19. Dezember 2019 in ein Gesetz umgewandelt), (iv) Artikel 136 (1) des Gesetzesdekrets Nr. 34 vom 19. Mai 2020 (mit Änderungen umgewandelt in das Gesetz Nr. 77 vom 17. Juli 2020) für langfristige Sparkonten, die ab 2020 eingerichtet werden (*Pir Alternativi*), (v) Artikel 68 (1) der Gesetzesverordnung Nr. 104 vom 14. August 2020, mit Änderungen umgewandelt in das Gesetz Nr. 126 vom 13. Oktober 2020, mit dem eine Erweiterung des relevanten Plafond für *Pir Alternativi* eingeführt wird, (vi) Artikel 1 (219-226) des Gesetzes Nr. 178 vom 30. Dezember 2020 für langfristige Sparkonten, die ab 2020 eingerichtet werden, (vii) Artikel 1 (26, 27, 912),

losses introduced, under certain conditions, by the latter provisions of law and (viii) Article 8-quinquies Law Decree 18 October 2023, No. 145 (converted into Law 15 December 2023 No. 191) which broadens the scope of the PIR Ordinari regime.

Gesetz Nr. 234 vom 30. Dezember 2021, das die Schwellenwerte ab dem 1. Januar 2022 für *PIR Ordinari* erhöht, bestimmte Grenzen für *Pir Alternativi* aufhebt und bestimmte Aspekte im Zusammenhang mit der Steuergutschrift für Kapitalverluste ändert, die unter bestimmten Bedingungen durch die letztgenannten Bestimmungen des Gesetzes eingeführt wurden, und (viii) Artikel 8-quinquies des Gesetzesdekrets Nr. 145 vom 18. Oktober 2023 (umgewandelt in das Gesetz Nr. 191 vom 15. Dezember 2023), der den Anwendungsbereich der *PIR Ordinari*-Regelung erweitert.

The capital gains realized by an investor that is an Italian investment fund (other than a real estate fund) will not be subject to *imposta sostitutiva*, but they shall be included in the result of the relevant portfolio. Such result will not be taxed with the Italian fund, but subsequent distributions in favour of unitholders or shareholders are generally subject to the Collective Investment Fund Substitute Tax (see the Paragraph "Earnings from capital - Investors resident in Italy").

Die von einem Anleger, bei dem es sich um einen italienischen Investmentfonds (ausgenommen eines Immobilienfonds) handelt, erzielten Kapitalgewinne unterliegen nicht der Ersatzsteuer, sind jedoch in das Ergebnis des betreffenden Portfolios einzubeziehen. Dieses Ergebnis wird aufseiten des italienischen Fonds nicht besteuert, spätere Ausschüttungen zugunsten der Anteilsinhaber unterliegen jedoch in der Regel der Investmentfonds-Ersatzsteuer (siehe "Kapitaleinkünfte – In Italien ansässige Anleger").

The capital gains realized by an investor that is an Italian pension fund (subject to the tax regime provided by article 17 of Legislative Decree 5 December 2005, n. 252) must be included in the management result that has accrued at the end of the tax period and are liable to a lieu tax of 20 per cent. (see Paragraph "Earnings from capital - Investors resident in Italy").

Die von einem Anleger, bei dem es sich um einen italienischen Pensionsfonds handelt, erzielten Kapitalgewinne müssen (vorbehaltlich der Steuervorschriften gemäß Artikel 17 der Gesetzvertretenden Verordnung Nr. 252 vom 5. Dezember 2005) in das zum Ende des Besteuerungszeitraums aufgelaufene Verwaltungsergebnis einbezogen werden und unterliegen einer Ersatzsteuer von 20% (siehe "Kapitaleinkünfte – In Italien ansässige Anleger").

As mentioned above, the 2023 Tax Reform Framework could have an impact on the tax regime applicable to pension funds.

Wie bereits erwähnt, könnte der Steuerreformrahmen 2023 Auswirkungen auf die für Pensionsfonds geltende Steuerregelung haben.

Any capital gains realised by an Italian resident real estate fund and a Real Estate SICAF to which the provisions of Decree 351, as subsequently amended, apply will be subject neither to *imposta sostitutiva* nor to any other income tax at the level of the real estate fund or Real Estate SICAF (which satisfy certain regulatory requirements) but subsequent distributions in favour of unitholders or shareholders are generally subject to the Collective Investment Fund Substitute Tax (see the Paragraph "Earnings from capital - Investors resident in Italy").

Kapitalgewinne, die von einem in Italien ansässigen Immobilienfonds und einem Immobilien-SICAF erzielt werden, auf die die Bestimmungen der Rechtsverordnung Nr. 351 in ihrer jeweils aktualisierten Fassung anwendbar sind, unterliegen weder der Ersatzsteuer noch einer anderen Steuer vom Einkommen und Ertrag auf der Ebene der Immobilienfonds oder des SICAF (welche gewisse regulatorische Anforderungen erfüllen), jedoch unterliegen nachfolgende Ausschüttungen zu Gunsten von Anteilsinhabern oder Aktionären grundsätzlich der Investmentfonds-Ersatzsteuer (siehe

"Kapitaleinkünfte – In Italien ansässige Anleger").

#### **b) Non-resident investors**

Capital gains derived from the disposal of Securities realised by non-resident investors (not having a permanent establishment in Italy to which the Securities are connected) are not subject to tax in Italy provided that the Securities:

- (i) are traded on "regulated market", or if not so traded, are held outside Italy, or
- (ii) if not so traded and held in Italy, the Holder is: (a) resident for tax purposes in a State that allows for an adequate exchange of information with Italy (the list of countries that allow for an adequate exchange of information with Italy currently included in the Ministerial Decree of 4 September 1996 as subsequently amended and supplemented); (b) an international entity or body established on the basis of international agreements ratified in Italy; (c) a foreign institutional investor, even if not subject to taxation, established in a country that allows for an adequate exchange of information with Italy; or (d) a central bank or entity that manages, inter alia, the official reserves of the State.

If none of the above conditions is satisfied, the capital gains realized by investors who are not resident in Italy on the sale, disposal or redemption of Securities held in Italy and not traded on a regulated market are liable to a lieu tax of 26 per cent.

In any case non-resident investors not having a permanent establishment in Italy, to whom a double taxation treaty with the Republic of Italy applies (under which the capital gains realized on the sale, disposal or redemption of instruments like the Securities is subject to taxation only in the investor resident State) are not liable to tax in Italy on the capital gains realized provided that such treaty is applicable and duly invoked.

#### **b) Nicht-gebietsansässige Anleger**

Von nicht-gebietsansässigen Anlegern (ohne Betriebsstätte in Italien, mit denen die Wertpapiere verbunden sind) realisierte Kapitalgewinne aus der Veräußerung von Wertpapieren unterliegen in Italien keiner Steuer, vorausgesetzt, die Wertpapiere:

- (i) werden in einem "regulierten Markt" gehandelt oder, falls dies nicht zutrifft, außerhalb Italiens gehalten, oder,
- (ii) falls sie nicht in dieser Weise gehandelt und in Italien gehalten werden, vorausgesetzt, der Inhaber ist: (a) für Steuerzwecke in einem Staat ansässig, der einen ausreichenden Informationsaustausch mit Italien erlaubt; die Liste der Länder, die gegenwärtig einen ausreichenden Informationsaustausch mit Italien erlauben, ist in der Ministerialverordnung (*decreto ministeriale*) vom 4. September 1996 in jeweils aktueller Fassung enthalten; (b) eine internationale Körperschaft oder Organisation, die auf Basis von in Italien ratifizierten internationalen Vereinbarungen errichtet wurde; (c) ein ausländischer institutioneller Anleger, der, selbst wenn er nicht der Besteuerung unterliegt, in einem Land errichtet wurde, das einen ausreichenden Informationsaustausch mit Italien erlaubt; oder (d) eine Zentralbank oder Einrichtung, die unter anderem die amtlichen Währungsreserven des Staates verwaltet.

Soweit keine der vorgenannten Bedingungen erfüllt ist, unterliegen die von nicht in Italien ansässigen Anlegern aus der Veräußerung, Verfügung oder Rückzahlung von in Italien gehaltenen Wertpapieren und die nicht in einem regulierten Markt gehandelt werden, erzielten Kapitalgewinne einer Ersatzsteuer von 26%.

In jedem Fall unterliegen nicht-gebietsansässige Anleger ohne Betriebsstätte in Italien, bei denen ein Doppelbesteuerungsabkommen mit der Republik Italien Anwendung findet (wonach die realisierten Kapitalgewinne aus der Veräußerung, Verfügung oder Rückzahlung von Instrumenten, wie der Wertpapiere, einzig in dem Staat, in dem der Anleger ansässig und steuerpflichtig ist, besteuert werden) nicht der

### 3. Inheritance and gift tax

Under Legislative Decree 346/1990 as amended by Legislative Decree 18 September 2024 n. 139 under the 2023 Tax Reform Framework, the free of charge transfer - between living persons or on death - of any asset (including securities), under certain conditions, is liable to tax at the following rates:

- a 4 per cent. rate is applied to transfers to a spouse and certain immediate family members, with an allowance of EUR 1,000,000 granted for each beneficiary;
- a 6 per cent. rate is applied to transfers to certain other family members. If the beneficiaries of the bequest or legacy are brothers or sisters there is an allowance of EUR 100,000 on the value of the assets bequeathed, left or gifted;
- an 8 per cent. rate is applied for transfers to other parties.

If a beneficiary is disabled, under certain conditions, such tax is applied only on the amount exceeding EUR 1,500,000.

A particular regime could be applicable in relation to indirect donations (*donazioni indirette*) as clarified by Agenzia delle Entrate in par. 7 Circular 16 April 2025, n. 3/E and to persons who move their tax residence to Italy. Such regimes shall have to be evaluated on a case-by-case basis.

Law No. 112 of 24 June 2016 provides some specific rules for disposal in favour of persons with severe disabilities.

Moreover, within the context of the 2023 Tax Reform Framework, Legislative Decree 18 September 2024 n.139 provides some specific rules for contribution or allocations to trusts. In brief, inheritance and gift tax, when

Besteuerung auf die realisierten Kapitalgewinne in Italien, vorausgesetzt, dass dieses Abkommen anwendbar und ordnungsgemäß in Kraft ist.

### 3. Erbschaft- und Schenkungssteuer

Gemäß Gesetzesdekret 346/1990, wie geändert durch Gesetzesdekret Nr. 139 vom 18. September 2024 gemäß dem Steuerreformrahmen 2023, unterliegt die unentgeltliche Übertragung von Vermögenswerten (einschließlich Wertpapieren) unter Lebenden oder von Todes wegen unter bestimmten Umständen der Besteuerung mit den folgenden Sätzen:

- ein Satz von 4% ist auf Übertragungen an Ehegatten und bestimmte unmittelbare Familienangehörige anwendbar, wobei jedem Begünstigten ein Freibetrag von EUR 1.000.000 zusteht;
- ein Satz von 6% ist auf Übertragungen auf bestimmte andere Familienangehörige anwendbar. Soweit es sich bei den Begünstigten einer Schenkung oder eines Nachlasses um Geschwister handelt, beläuft sich der Freibetrag auf EUR 100.000 des Wertes der vermachten, hinterlassenen oder als Geschenk überlassenen Vermögenswerte;
- auf Übertragungen an andere Parteien ist ein Satz von 8% anwendbar.

Soweit ein Begünstigter behindert ist, findet die Steuer (unter bestimmten Bedingungen) nur auf den Betrag Anwendung, der EUR 1.500.000 übersteigt.

Besondere Vorschriften könnten auf indirekte Spenden (*donazioni indirette*) anwendbar sein, wie von der Agenzia delle Entrate in Absatz 7 des Rundschreibens Nr. 3/E vom 16. April 2025 präzisiert, sowie auf Personen, die ihren Steuersitz nach Italien verlegen. Diese Vorschriften sind jeweils auf Einzelfallbasis zu beurteilen.

Das Gesetz Nr. 112 vom 24. Juni 2016 enthält einige spezifische Vorschriften für die Veräußerung zugunsten von Personen mit schwerer Behinderung.

Darüber hinaus enthält das Gesetzesdekret Nr. 139 vom 18. September 2024 im Zusammenhang mit dem Steuerreformrahmen 2023 einige spezifische Vorschriften für Beiträge oder Zuweisungen an Trusts.

applicable, is determined upon the transfer of the assets and rights in favour of the beneficiaries, save for an option to apply it upon of the attribution to the trust. This regime requires to be implemented by the Italian Revenue Agency.

#### 4. Stamp Duty

Pursuant to Article 13 of the tariff attached to Presidential Decree No. 642 of 26 October 1972 ("**Decree 642**"), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by Italian-based financial intermediaries to their "clients" for the securities deposited therewith and in any case once per year. The rate applicable is 0.2 per cent on a yearly basis and it cannot exceed EUR 14,000.00 in case the investor is not a natural person. The application of such stamp duty shall have to be verified on a case-by-case basis.

#### 5. Wealth Tax on securities deposited abroad (IVAFE)

According to the provisions set forth by Law No. 214 of 22 December 2011, as amended and supplemented, certain Italian investors holding securities outside the Italian territory are required to pay an additional tax at a rate of 0.2 per cent (**IVAFE**). In this case the above-mentioned stamp duty provided for by Article 13 of the Tariff attached to Decree 642 does not apply.

According to Law 30 December 2023, No. 213, as from 1 January 2024 IVAFE applies at a rate of 0.4 per cent in relation to securities held in States or territories with a privileged tax regime, actually listed in the Ministerial Decree 4 May 1999.

Financial assets held abroad are excluded from the scope of IVAFE if "administered" by an Italian financial intermediary pursuant to an administration agreement. In this case, the above-mentioned stamp duty provided for by Article 13 of the Tariff attached to Decree 642 does apply.

#### 6. Italian Financial Transaction Tax

Zusammenfassend lässt sich sagen, dass die Erbschafts- und Schenkungssteuer, sofern anwendbar, bei der Übertragung der Vermögenswerte und Rechte an die Begünstigten festgesetzt wird, mit der Option, sie bei der Zuweisung an den Trust anzuwenden. Diese Regelung muss von der italienischen Steuerbehörde umgesetzt werden.

#### 4. Stempelsteuern

Gemäß Artikel 13 der Steuertabelle, die der Präsidialverordnung Nr. 642 (*decreto del presidente della repubblica n. 642*) vom 26. Oktober 1972 ("**Präsidialverordnung Nr. 642**") beigefügt ist, findet eine proportionale Stempelsteuer auf jährlicher Basis auf periodische Berichte von in Italien ansässigen Finanzintermediären an ihre Kunden bezüglich der bei ihnen hinterlegten Wertpapiere in jedem Fall einmal pro Jahr Anwendung. Der abwendbare Satz beträgt 0.2% auf jährlicher Basis und unterliegt einer Obergrenze von EUR 14.000,00 (falls der Anleger keine natürliche Person ist). Die Anwendung einer solchen Stempelsteuer ist von Fall zu Fall zu prüfen.

#### 5. Vermögensteuer auf im Ausland verwahrte Wertpapiere (IVAFE)

Gemäß den Bestimmungen des Gesetzes Nr. 214 vom 22. Dezember 2011 in jeweils aktualisierter Fassung müssen bestimmte italienische Anleger, die die Wertpapiere außerhalb des italienischen Staatsgebiets halten, eine zusätzliche Steuer in Höhe 0.2% (**IVAFE**) zahlen. In diesem Fall findet die vorgenannte Stempelsteuer gemäß Artikel 13 der der Präsidialverordnung Nr. 642 beigefügten Steuertabelle keine Anwendung.

Gemäß Gesetz Nr. 213 vom 30. Dezember 2023 gilt ab dem 1. Januar 2024 die IVAFE in Höhe von 0,4 Prozent auf Wertpapiere, die in Staaten oder Gebieten mit einer privilegierten Steuerregelung gehalten werden, die tatsächlich im Ministerialdekret vom 4. Mai 1999 aufgeführt sind.

Im Ausland gehaltene Finanzanlagen fallen nicht unter die IVAFE, wenn sie von einem italienischen Finanzintermediär im Rahmen eines Verwaltungsvertrags "verwaltet" werden. In diesem Fall ist die vorgenannte Stempelsteuer gemäß Artikel 13 der der Präsidialverordnung Nr. 642 beigefügten Steuertabelle anwendbar.

#### 6. Italienische Finanztransaktionssteuer

Transactions in derivative financial instruments (including warrants, covered warrants and certificates), under certain conditions, are subject to a fixed charge, depending on the type of contract, to be verified on a case-by-case basis.

A proposal is under discussion at the European level that could be broaden the scope of the Financial Transaction Tax in a way to include also debt instruments.

## 7. Tax monitoring obligations

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 partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Presidential Decree No. 917 of 22 December 1986) resident in Italy for tax purposes, under certain conditions, are required to report for tax monitoring purposes in their yearly income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return) the amount of investments (including securities) directly or indirectly held abroad. According to the Budget Law for 2023, such monitoring report shall apply also to crypto assets.

In case of payments with the intervention of a financial intermediary, under certain conditions the latter shall report such transactions (including crypto assets) to the Tax Authority (see Legislative Decree 27 December 2024 n. 204). According to art. 16 Law Decree 21 June 2022, n 73 the limit of such transactions to be reported has been reduced to 5.000 Euro.

The above-mentioned monitoring obligation applies also where the persons above, being not the direct holder of the financial instruments, are the actual owner (*titolari effettivi*) of the instrument.

Furthermore, the above reporting obligation is not required to comply with respect to: (i)

Transaktionen mit derivativen Finanzinstrumenten (einschließlich Optionsscheinen, gedeckten Optionsscheinen und Zertifikaten) unterliegen unter bestimmten Bedingungen einer festen Gebühr, die je nach Art des Vertrages von Fall zu Fall zu überprüfen ist.

Auf europäischer Ebene wird derzeit ein Vorschlag erörtert, der den Anwendungsbereich der Finanztransaktionssteuer so erweitern könnte, dass auch Schuldtitel einbezogen werden.

## 7. Steuerüberwachungspflichten

Gemäß Rechtsverordnung Nr. 167 (*decreto legge n. 167*) vom 28. Juni 1990, die mit Änderungen in das Gesetz Nr. 227 vom 4. August 1990 überführt wurde, in jeweils aktualisierter Fassung müssen natürliche Personen, gemeinnützige Organisationen und bestimmte Personengesellschaften (*società semplici* oder ähnliche Personengesellschaften gemäß Artikel 5 der Präsidialverordnung Nr. 917 (*decreto del presidente della repubblica n. 917*) vom 22. Dezember 1986), die für Steuerzwecke in Italien ansässig sind, unter bestimmten Umständen in ihrer jährlichen Einkommensteuererklärung (oder, falls keine Einkommensteuererklärung fällig ist, auf einem entsprechenden Formular, das innerhalb desselben Zeitraums einzureichen ist, der auch für die Einkommensteuererklärung vorgeschrieben ist) für Steuerüberwachungszwecke den Betrag ihrer Vermögensanlagen (einschließlich der Wertpapiere) melden, die direkt oder indirekt im Ausland gehalten werden. Gemäß dem Haushaltsgesetz für 2023 soll ein solcher Überwachungsbericht auch für Kryptowerte gelten.

Bei Zahlungen unter Einschaltung eines Finanzintermediärs ist dieser unter bestimmten Voraussetzungen verpflichtet, diese Überweisungen (einschließlich Kryptowerte) der Steuerbehörde zu melden (siehe Gesetzesdekret Nr. 204 vom 27. Dezember 2024). Gemäß Art. 16 des Gesetzesdekrets vom 21. Juni 2022, Nr. 73 wurde die Grenze für solche zu meldenden Transaktionen auf 5.000 Euro gesenkt.

Die zuvor genannte Überwachungspflicht gilt auch, soweit die vorgenannten Personen die Finanzinstrumente zwar nicht direkt halten, aber die tatsächlichen Eigentümer (*titolari effettivi*) der Instrumente sind.

Des Weiteren muss die zuvor genannte Meldepflicht nicht erfüllt werden in Bezug auf:



securities 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 securities have been subject to tax by the same intermediaries. Any case shall have to be carefully verified.

## **8. Introduction of the common reporting standard in Italy for the automatic exchange of information**

Article 28 of Law 7 July 2016, No. 122 (published on the Italian Official Gazette 8 July 2016, No. 158 and in force as of 23 July 2016) as of 1 January 2016, repeals the Legislative Decree No. 84 of 18 April 2005 which implemented in Italy the EU Savings Directive. Such law also set forth some specific rules governing the transitional period.

In the context of implementation of common reporting standard ("**CRS**") and Foreign Account Tax Compliance Act ("**FATCA**"), certain measures for the automatic exchange of information amongst tax authorities have been introduced. The Decree issued on 28 April 2025 by Ministry of Economy and Finance updates the scope of the automatic exchange of information process.

In the context of automatic exchange of information amongst tax authorities to counteract base erosion and profit shifting, since 1° July 2020 - pursuant to EU Directive 2018/822 of 25 May 2018 (hereinafter "**DAC 6**") - under certain circumstances, intermediaries, professionals and taxpayers will have to notify to Tax Authorities potentially aggressive cross-border arrangements, the so called "Reportable Cross Border Arrangements" (or "RCBA"). Legislative Decree No. 100 Of 30 July 2020, the Ministerial Decree of 17 November 2020 and the Act of the Italian Revenue Agency Director Prot. No. 364425 of 26 November 2020 have implemented the DAC 6 in Italy.

The Italian Revenue Agency has published its first clarifications related to the DAC 6 with

(i) Wertpapiere, die zu Verwaltungszwecken bei zugelassenen italienischen Finanzintermediären hinterlegt wurden; (ii) Kontrakte, die durch Vermittlung zugelassener italienischer Finanzintermediäre unter der Bedingung abgeschlossen wurden, dass die aus den Wertpapieren erzielten Erträge durch dieselben Finanzintermediäre versteuert wurden. Jeder Einzelfall muss sorgfältig geprüft werden.

## **8. Einführung des gemeinsamen Berichtsstandards in Italien für den automatischen Informationsaustausch**

Durch Artikel 28 des Gesetzes Nr. 122 vom 7. Juli 2016 (veröffentlicht im Amtsblatt der Italienischen Republik (*Gazzetta Ufficiale della Repubblica Italiana*) Nr. 158 vom 8. Juli 2016 und in Kraft seit dem 23. Juli 2016) wurde die Gesetzvertretende Verordnung Nr. 84 (*decreto legislativo n. 84*) vom 18. April 2005 aufgehoben, mit der die EU-Zinsbesteuerungsrichtlinie in Italien umgesetzt worden war. Dieses Gesetz enthält auch bestimmte Regelungen für den Übergangszeitraum.

Im Rahmen der Umsetzung des gemeinsamen Berichtsstandards (*common reporting standard*, "**CRS**") und des Foreign Account Tax Compliance Act ("**FATCA**") wurden bestimmte Maßnahmen für den automatischen Informationsaustausch zwischen den Steuerbehörden eingeführt. Der Erlass des Ministeriums für Wirtschaft und Finanzen vom 28. April 2025 aktualisiert den Umfang des automatischen Informationsaustauschs.

Im gleichen Kontext des automatischen Informationsaustausches zwischen Steuerbehörden müssen Intermediäre, Geschäftspersonen und Steuerzahler, um Basiserosion und Gewinnverschiebung entgegenzuwirken, seit dem 1. Juli 2020 - gemäß der EU-Richtlinie 2018/822 vom 25. Mai 2018 (nachfolgend "**DAC 6**") - unter bestimmten Umständen potenziell aggressive grenzüberschreitende Gestaltungen, die so genannten "Reportable Cross Border Arrangements" (oder "RCBA") den Steuerbehörden melden. Das Gesetzesdekret Nr. 100 vom 30. Juli 2020, das Ministerialdekret vom 17. November 2020 und das Gesetz des Direktors der italienischen Steuerbehörde Prot. Nr. 364425 vom 26. November 2020 haben das DAC 6 in Italien umgesetzt.

Die italienische Steuerbehörde hat mit den Rundschreiben Nr. 2 vom 10. Februar 2021 und Nr. 12 vom 13. Mai 2022 ihre ersten

Circulars n. 2 of 10 February 2021 and n. 12 of 13 May 2022.

On 22 March 2021 the Council of the European Union has adopted the directive 2021/514 to further extend – as from 1 January 2023 - the systematic communication of predefined information amongst tax authorities (hereinafter "**DAC 7**"). Legislative Decree 1° March 2023, n. 32 has implemented in Italy the DAC 7.

On 17 October 2023 the EU Council approved the EU Directive 2023/2226, which amends the Directive 2011/16/EU to further enhance the administrative cooperation in the field of taxation, including for crypto assets and advance cross-border rulings of natural persons ("**DAC 8**").

On 16 May 2023 the EU Council has approved the Markets in Crypto Assets Regulation ("**MiCA**").

On 14 April 2025, the Council of the European Union adopted Council Directive (EU) 2025/872, amending Directive 2011/16/EU on administrative cooperation in the field of taxation within the context of Global Anti-Base Erosion Model Rules, Pillar Two (**DAC 9**). The Directive was published in the Official Journal of the European Union on May 6, 2025, and entered into force on May 7, 2025).

Klarstellungen zum DAC 6 veröffentlicht.

Am 22. März 2021 hat der Rat der Europäischen Union die Richtlinie 2021/514 verabschiedet, um - ab dem 1. Januar 2023 - die systematische Übermittlung von vordefinierten Informationen zwischen den Steuerbehörden weiter auszubauen (im Folgenden "**DAC 7**"). Das Gesetzesdekret 1° März 2023, Nr. 32 hat in Italien die DAC 7 umgesetzt.

Am 17. Oktober 2023 hat die EU-Rat die EU-Richtlinie 2023/2226 verabschiedet, um die Zusammenarbeit der Verwaltungsbehörden im Bereich der Besteuerung, auch in Bezug auf Kryptowerte und grenzüberschreitende Vorabentscheidungen natürlicher Personen, weiter zu verbessern ("**DAC 8**").

Am 16. Mai 2023 hat der EU-Rat die Verordnung über Märkte für Krypto-Vermögenswerte ("**Mi-CA**") verabschiedet.

Am 14. April 2025 hat der Rat der Europäischen Union die Richtlinie (EU) 2025/872 zur Änderung der Richtlinie 2011/16/EU über die Zusammenarbeit der Verwaltungsbehörden im Bereich der Besteuerung im Rahmen der globalen Mustervorschriften zur Bekämpfung der Gewinnverkürzung und Gewinnverlagerung (Säule 2 (**DAC 9**)) verabschiedet. Die Richtlinie wurde am 6. Mai 2025 im Amtsblatt der Europäischen Union veröffentlicht und trat am 7. Mai 2025 in Kraft.

## X. Taxation in Denmark

The following is an overview of certain Danish income tax considerations relating to the Securities.

The overview is for general information only and does not purport to constitute exhaustive tax or legal advice. It is specifically noted that the overview does not address all possible tax consequences relating to the Securities. The overview is based solely upon the tax laws of Denmark in effect on the date of the Base Prospectus. Danish tax laws may be subject to change, possibly with retroactive effect.

The overview does not cover investors to whom special tax rules apply, and, therefore, may not be relevant, for example, to investors subject to the Danish Tax on Pension Yields Act (i.e.

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pension savings), certain institutional investors, insurance companies, pension companies, banks, stockbrokers and investors with tax liability on return on pension investments. The overview does not cover taxation of individuals and companies who carry on a business of purchasing and selling Securities. The overview only sets out the tax position of the direct owners of the Securities and further assumes that the direct investors are the beneficial owners, as understood in accordance with Danish tax law, of the Securities and any interest thereon. Sales are assumed to be sales to a third party (i.e. sales to a non-affiliated party) and any redemption is assumed to be on arm's length terms and is assumed to be a cash redemption (i.e. not a conversion to shares, a waiver of debt or similar). Furthermore, it is assumed that the issuer of the Securities is not affiliated with any of the investors, that the investment and holding of the Securities does not constitute tax abuse as understood in accordance with the Danish Tax Assessment Act Section 3, and that the Securities qualify as ordinary debt instruments for Danish tax purposes covered by the Gains on Securities and Foreign Currency Act (in Danish "Kursgevinstloven"), Consolidation Act 1390 of 29 September 2022 as amended.

With regards to the withholding tax considerations below, these are only relevant insofar that the issuer of the Securities is a Danish tax resident, or the issuer carries out the business to which the Securities relates through a permanent establishment in Denmark.

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Additionally, investors residing outside Denmark are assumed not to have a permanent establishment in Denmark.

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Investors are advised to consult their tax advisors regarding the applicable tax consequences of the acquiring, holding and disposing of the Securities based on their particular circumstances.

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Tax considerations relating to the Securities.

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The following includes an overview of certain Danish tax considerations relating to the Securities. The overview is subject to the general reservations outlined above.

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## 1. Taxation of Danish tax resident investors

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### a) Individual investors

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#### Sale or redemption of Securities

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Gains from the sale or redemption of Securities are calculated as the difference between the purchase price and the sales price. In 2025, any gains are taxed as capital income at a rate up to 42 per cent.

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If the net capital gains from Securities do not exceed DKK 2,000 in a given year, then said capital income will be tax-exempt. If the net capital gains exceed DKK 2,000 they are fully taxable.

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Taxable gains are generally taxed at the time of sale or redemption. However, if the Securities are taxed in accordance with the rules for financial contracts, gains and losses will be taxed based on a mark-to-market principle.

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According to the mark-to-market principle, each year's taxable gain or loss is calculated as the difference between the market value of the Securities at the beginning and end of the tax year. Thus, taxation will take place on an accrual basis even if no Securities have been disposed of and no gains or losses have been realised. If the Securities are sold or otherwise disposed of before the end of the income year, the taxable income of that income year equals the difference between the value of the Securities at the beginning of the income year and the realisation sum. If any Securities are acquired and realised in the same income year, the taxable income equals the difference between the acquisition sum and the realisation sum. If the Securities are acquired in the income year and not realised in the same income year, the taxable income equals the difference between the acquisition sum and the value of the shares at the end of the income year.

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Losses on the Securities can be used to offset capital income in the same income year, but can generally not be carried forward.

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Losses on Securities admitted to trading on a regulated market can only be offset against other capital income, if notification of the acquisition of the Securities has been sent to the Danish tax authorities before the deadline for filing the tax return for the income year in which the Securities were purchased.

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In the event of an investor's death, the estate may be handled in one of two ways (i) the

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surviving spouse may choose to succeed in the tax position of the deceased, thus resulting in ongoing taxation (as outlined above) as if the spouse had acquired the Securities at the time and at the value of the deceased, or (ii) alternatively, the estate may be settled in which case the allotment of the estate will trigger inheritance tax and potential capital gains taxation.

If the estate is settled, all heirs will be subject to an inheritance tax based on their family relationship to the deceased, i.e. spouse, children and grandchildren are subject to a 15 per cent. taxation of all inheritance exceeding DKK 346,000 (2025), while other family relations (or non-related persons) are subject to an inheritance tax of 36.25 per cent. of their entire inheritance.

### **Interest on Securities**

Interest on Securities is subject to Danish capital income taxation equivalent to gains on Securities (as set out above). However, interest is not in scope for the DKK 2,000 threshold applicable for capital gains and thus always taxable irrespective of the amount.

Interest is taxed in the income year in which it is due for payment. Consequently, accrued interest is generally taxed in the income year it becomes payable.

### **b) Corporate investors**

#### **Sale or redemption of Securities**

Capital gains from the Securities are taxable as corporate income at a rate of 22 per cent. irrespective of ownership period. Losses on such Securities are generally fully deductible (subject to certain rules limiting tax losses of net financing expenses and other special rule schemes, which we have not elaborated on further).

Capital gains or losses on securities are taxed based on a mark-to-market principle.

Losses on Securities can be used to off-set any corporate income and can be carried forward indefinitely. However, certain restrictions apply to the use of tax losses from previous years, if the losses utilized from previous years exceed DKK 20,829,000 (2025).

### **Interest on Securities**

Interest on Securities is subject to Danish taxation as corporate income (at a tax rate of 22 per cent.) and is generally taxed in the income year the interest relates to, i.e.

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accrued interest will be taxable in the income year in which it accrues.

## **2. Taxation of investors residing outside Denmark**

### **a) Individual investors**

#### **Sale or redemption of Securities**

Investors not resident in Denmark are normally not subject to Danish taxation on any gains realised on the sale or redemption of Securities, irrespective of the ownership period.

#### **Interest on Securities**

Interest on Securities is generally exempt from any Danish withholding tax.

### **b) Corporate investors**

#### **Sale or redemption of Securities**

Corporate investors not resident in Denmark are normally not subject to Danish taxation on any gains realised on the sale or redemption of Securities, irrespective of the ownership period, this is, however, subject to certain anti-avoidance rules that will not be described in further detail.

#### **Interest on Securities**

Interest on Securities is generally exempt from Danish withholding tax. However, Danish withholding tax may be levied on certain interest payment between affiliated parties to the extent that the issuer of the Securities is a Danish tax resident, or the issuer carries out the business to which the Securities relates through a permanent establishment in Denmark.

## **3. Securities transfer tax and stamp duties**

No Danish share transfer tax or stamp duties are payable on transfer of Securities.

## **XI. Taxation in Finland**

The following is a brief overview of certain Finnish tax consequences of the acquisition, ownership and the sale, assignment or redemption of Securities. It does not purport to be a comprehensive description of all tax considerations, which may be relevant to a decision to purchase Securities, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser or may be subject to change in the future. The following

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information is based on the laws of Finland currently in force and as applied on the date of the Base Prospectus, which are subject to change, possibly with retrospective effect.

With regard to certain specific types of Securities, it is not always totally clear how such Securities type will be treated for tax purposes. It should also be noted that the tax authorities may change their view and that the tax courts are not bound by guidance provided by tax authorities. Even if court decisions exist with regard to certain types of Securities, it is not certain that the same reasoning will apply to the Securities due to specific features of such Securities.

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As each issue of Securities may be subject to a different tax treatment, due to the specific terms of such issue of Securities, the following information only provides generic information on the expected tax treatment. The following information only describes the tax treatment of Securities in general and certain particularities with respect to individual types of Securities.

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Prospective purchasers of Securities are advised to consult their own tax advisors as to the tax consequences of the acquisition, ownership and the sale, assignment or redemption of Securities, including the effect of any state or local taxes, under the tax laws of Finland and each country of which they are residents or may otherwise be liable to tax. Only these advisers will be able to take into account appropriately the details relevant to the taxation of the respective holders of the Securities.

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#### **1. General considerations**

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The tax treatment of the Securities depends on the nature of the particular security in question. Generally, securities considered as derivative financial instruments (e.g. warrants), where the value of the security is linked to the value of the underlying instrument, are treated differently from the Securities that represent debt instruments.

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Where the Securities are issued in a currency other than Euro, the sale, assignment or redemption price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the acquisition date and the sale, assignment or redemption date respectively.

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## 2. Finnish resident individuals

Capital income, irrespective of the nature of the capital income (interest, capital gain or capital income) is taxed at a rate of 30 per cent. and to the extent the annual capital income exceeds EUR 30,000 the tax rate is 34 per cent. However, interest income subject to special Finnish withholding tax regime is taxed at a flat rate of 30 per cent. irrespective of the amount.

### Interest payments

Under Finnish law, interest income received by Finnish tax resident individuals under the Securities and the index compensation paid in connection with redemption of capital guaranteed Securities are subject to Finnish capital income tax under Finnish Income Tax Act (1535/1992, as amended), provided that the issuer is a foreign resident and the Securities are not issued by issuer's permanent establishment in Finland. Income received from the sale or redemption of certain Securities (such as zero coupon bonds) is generally considered as interest income and taxed accordingly as capital income.

In case the issuer is not resident in Finland for tax purposes, the issuer is not obligated to withhold any Finnish tax. However, an agent or intermediary resident in Finland shall withhold Finnish advance income tax from any interest, interest compensation or index compensation, paid to an individual, where such payment is made through the agent or intermediary in Finland.

If the Securities are disposed, repaid or redeemed during the loan period, any capital gain as well as accrued interest received (i.e. secondary market compensation) is taxed as capital income.

Any profits on Securities that are regarded as warrants or certificates are generally considered as capital gain. Consequently, any payments made in respect of Securities that are regarded as warrants or certificates may be made without withholding Finnish tax and should not be subject to any preliminary taxation by a Finnish Paying Agent.

### Capital gains

Capital gains realized on the sale or redemption of the Securities are subject to Finnish capital income tax.

Taxable capital gains and losses are calculated as the difference between the

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sales or exercise price and the aggregate of the actual acquisition cost of the Securities and the sales or exercise related expenses. Capital losses are deductible from capital gains and other capital income in the same year. Any remaining unused capital losses can be carried forward for five subsequent calendar years.

The acquisition cost presumption of 20 per cent. or 40 per cent. can be applied instead of the real acquisition cost. If the acquisition cost presumption is applied instead of the actual acquisition cost, any sales or exercise related expenses cannot be additionally deducted.

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If the aggregate value of all taxable disposals of the individual does not exceed EUR 1,000 during the calendar year, the capital gain is tax exempt. Respectively the capital loss is non-tax deductible, provided that the aggregate acquisition costs do not exceed EUR 1,000 and if the sales or redemption prices of all taxable disposals during the calendar year do not, in the aggregate, exceed EUR 1,000.

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Capital gains are not subject to tax withholding in Finland, and the taxes due are payable by the Finnish resident individual personally.

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Capital gains are not subject to tax withholding in Finland, and the taxes due are payable by the Finnish resident individual personally.

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### **Capital income**

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Finnish tax laws do not include any specific provisions on taxation of derivative instruments such as warrants and certificates. Generally, capital gains from the sale or exercise of listed Securities, or Securities that could be listed, are subject to taxation in Finland as capital gains. However, restrictions with respect to the claiming of losses generally apply if certain types of Securities, such as warrants and certificates which are not eligible for public trading, expire worthless or almost worthless.

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Gains from the sale or exercise of non-listed Securities which do not qualify for capital gains taxation are taxable as general capital income of the Finnish tax resident individual (i.e. not as capital gains). Consequently, losses arising from the sale or exercise as well as from expiry of non-listed Securities which do not qualify for capital gains are generally non-tax deductible.

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### 3. Finnish resident corporate entities

Interest paid on the Securities to Finnish corporate entities and income arising from the disposal, repayment or redemption of the Securities are subject to final taxation of the recipient corporation generally in accordance with the Finnish Business Income Tax Act (360/1968, as amended) or in certain cases under the Finnish Income Tax Act, depending on the legal form of establishment of the corporate entity and to which source of income the Securities belong. As of the date of the Base Prospectus the corporate income tax rate in Finland is 20 per cent.

Interest payments are generally taxable income to corporate entities and subject to final taxation as business income in accordance with the Finnish Business Income Tax Act or to certain legal entities in accordance with the Finnish Income Tax Act depending on the legal form of establishment of the corporate entity and to which source of income the Securities belong.

Income received from disposal, repayment or redemption of Securities, as well as secondary market compensation is taxable income, and the acquisition cost is generally treated as a deductible expense.

The deductibility of capital losses depends on whether they are taxed under the Finnish Business Income Tax Act or the Finnish Income Tax Act and depending on to which asset class of the corporate entity the Securities belong. Capital losses taxable under the Finnish Business Income Tax Act are generally deductible from a company's income taxed under the Finnish Business Income Tax Act in the same tax year and the ten subsequent tax years, whereas capital losses taxable under the Finnish Income Tax Act are only deductible from capital gains taxed under the Finnish Income Tax Act on the year of the sale and during five subsequent years.

Corporate entities may not use an acquisition cost presumption.

### 4. Transfer taxation

Generally, the transfer of domestic securities that are not trading on a regulated market is subject to transfer tax.

As the Securities in question should not classify as Finnish securities, transfer of these Securities should not be subject to Finnish transfer taxation.

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## **XII. Taxation in Sweden**

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The following is an overview of certain Swedish income tax considerations relating to the Securities held by Swedish individuals or Swedish limited liability companies, both tax resident if not otherwise specified in this section.

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The overview is for general information only and does not purport to constitute exhaustive tax or legal advice. It is specifically noted that the overview does not address all possible tax consequences relating to the Securities. The overview is based solely upon the tax laws of Sweden in effect on the date of the Base Prospectus.

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The overview does not cover investors to whom special tax rules apply, for example, certain institutional investors, insurance companies, pension companies, banks, etc. The overview does not cover taxation of individuals and companies who carry on a business of purchasing and selling securities. The overview does not address, inter alia, situations where Securities are held in an investment savings account (Sw. investeringssparkonto), the tax consequences of a write-down or conversion of Securities, or the rules regarding reporting obligations for, among others, payers of interest. Further, the summary does not address credit of foreign taxes in Sweden. The overview only sets out the tax position of the direct owners of the Securities and further assumes that the direct investors are the beneficial owners of the Securities and any interest thereon. Sales and interest payments are assumed to be between third parties (i.e. sales to a non-affiliated party) and all transactions are assumed to be on arm's length terms. Furthermore, it is assumed that the issuer of the Securities is not affiliated with any of the investors.

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Additionally, investors residing outside Sweden are assumed not to have a permanent establishment in Sweden.

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Investors are advised to consult their tax advisors regarding the applicable tax consequences of the acquiring, holding and disposing of the Securities based on their particular circumstances.

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## **Tax considerations relating to the Securities**

### **1. Swedish resident individuals**

#### **Interest**

Interest or other income derived from the Securities is subject to tax at a rate of 30 per cent. The tax liability arises when the income interest is paid or made available (cash-method).

#### **Capital gains**

Gains from the sale or redemption of Securities are taxed as capital gains at a tax rate of 30 per cent.

The gain is equal to the difference between the sales proceeds after deduction of sales costs and the acquisition cost. The average acquisition cost for all securities of the same type and class, taking into account changes to the holdings, should be used when calculating the gain. Optionally, the so-called standard rule under which the acquisition cost is deemed to be the equivalent of 20 per cent. of the net sales price may be applied on the disposal of listed Securities (except for options and forward contracts) that are taxed in the same manner as shares. Securities should be regarded as listed for Swedish tax purposes if it is listed on foreign markets, which would have been considered to constitute a stock exchange under Swedish tax law.

Income or gains defined as interest (e.g. interest compensation) are taxed as interest income.

#### **Losses**

As a main rule, capital losses are deductible at 70 per cent. against other taxable income derived from capital.

Losses resulting from sale or redemption of listed Securities qualifying as Swedish receivables (i.e. denominated in SEK) are fully deductible against other capital income. Under EC law, losses on receivables denominated in foreign currency should also be fully deductible.

Losses resulting from sale or redemption of Securities that are treated in the same manner as shares are fully deductible against taxable capital gains on such assets or gains resulting from the disposal of shares. Any excess amount is deductible at 70 per cent. against other taxable income derived from capital.

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In case of deficit in the income from capital, a tax reduction at 30 per cent. against other income is allowed (e.g. against employment income). If the deficit exceeds SEK 100,000, the deduction is limited to 21 per cent. with respect to deficit exceeding this amount.

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#### **Other taxes**

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No gift, inheritance or net wealth tax or stamp duty is levied in Sweden with respect to the Securities.

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## **2. Swedish resident corporate entities**

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### **Interest and capital gains**

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Limited liability companies are taxed on all net income as business income with a corporate income tax rate which is currently 20.6 per cent, as of 1 January 2021.

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Interest on the Securities is included as business income and taxed on an accrual basis. However, deduction of interest expenses may be restricted under a EBITDA based limitation that entered into force as of 1 January 2019. Under this limitation, net interest expenses (i.e. interest expenses exceeding the interest income) should be deductible only to the extent it does not exceed 30 per cent. of EBITDA calculated for tax purposes. Net interest expenses may be deducted regardless of the 30 per cent. rule, provided that the group's negative net interest does not exceed SEK 5 million.

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Capital gains deriving from sale or redemption of the Securities are taxed as business income upon realization. The gain is equal to the difference between the sales proceeds after deduction of sales costs and acquisition cost. The average acquisition cost for all securities of the same type and class, taking into account changes to the holdings, should be used when calculating the gain. Optionally, the so-called standard rule under which the acquisition cost is deemed to be the equivalent of 20 per cent. of the net sales price may be applied on the disposal of listed Securities (except for options and forward contracts) that are taxed in the same manner as shares. Securities should be regarded as listed for Swedish tax purposes if it is listed on foreign market, which would have been considered to constitute a stock exchange under Swedish tax law.

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Income or gains defined as interest are taxed as interest income.

### **Losses**

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Losses on Securities that are taxed in the same manner as shares may only be offset against taxable capital gains on such assets or on taxable gains from the sale of shares. Subject to certain requirements, Swedish tax law provides for group consolidation measures for such losses (i.e. losses in one group entity may be offset against relevant profits from another group entity). Furthermore, non-utilized losses on such Securities may be carried forward and offset against taxable capital gains in the future.

Losses on Securities that are not taxed in the same manner as shares are, under current tax laws, deductible from the holder's business income. Losses on Securities that qualify as an interest or interest-like expense will be subject to the EBITDA based limitations rules, see above.

For limited liability companies, capital gains on shares and certain share linked rights held for business purposes are tax exempt. Correspondingly, capital losses on shares and share linked rights that are held for business purposes are not deductible. Securities under this offer should not be treated as share linked rights held for business purposes. A capital loss on the Securities is not deductible should the underlying assets, directly or indirectly, consist of shares or certain share linked rights held for business purposes.

#### **Other taxes**

No gift, inheritance or net wealth tax or stamp duty is levied in Sweden with respect to the Securities.

#### **3. Taxation of non-residents in Sweden**

Interest or other income or gains deriving from the Securities should not be subject to income tax in Sweden. If the Securities are taxed in the same manner as shares, individuals who have been residents of Sweden for tax purposes at any time during the calendar year of the sale or redemption or the ten calendar years preceding the year of sale or redemption are liable for capital gains taxation in Sweden upon sale or redemption of such Security. This provision is, nevertheless, in many cases limited by tax treaties for the avoidance of double taxation, which Sweden has concluded with other countries.

#### **4. Withholding of tax**

Sweden operates a system of preliminary tax (Sw. *preliminärskatt*) to secure payment of taxes. In the context of the Securities a

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preliminary tax of 30 per cent. will be deducted from all payments treated as interest in respect of the Securities made to any individuals that are resident in Sweden for tax purposes provided the paying entity is subject to reporting obligations in Sweden. A preliminary tax of 30 per cent. will also be deducted from any other payments in respect of the Securities not treated as capital gains, if such payments are paid out together with payments treated as interest. Depending on the relevant holder's overall tax liability for the relevant fiscal year the preliminary tax may contribute towards, equal or exceed the holder's overall tax liability with any balance subsequently to be paid by or to the relevant holder, as applicable.

### **XIII. Taxation in France**

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The following is a summary of certain tax consequences resulting from the holding of the Securities held by French individuals or French companies subject to French income tax, both French tax resident if not otherwise specified in this section. This overview is based on the laws and regulations in full force and effect in France as at the date hereof, which may be subject to change in the future, potentially with retroactive effect. Investors should be aware that the statements below are of a general nature and do not constitute legal or tax advice and should not be understood as such. Hence, prospective holders are advised to consult their own qualified advisors so as to determine, in the light of their particular situation, the tax consequences of the purchase, holding, redemption or sale of the Securities.

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With regard to certain types of Securities, neither official statements of the tax authorities nor court decisions exist, and it is not clear how these Securities will be treated. Furthermore, there is often no consistent view in legal literature about the tax treatment of instruments like the Securities, and it is neither intended nor possible to mention all different views in the following information. Where reference is made to statements of the tax authorities, it should be noted that the tax authorities may change their view even with retroactive effect and that the tax courts may take a different view. Even if court decisions exist with regard to certain types of Securities, it is not certain that the same reasoning will apply to the

Securities due to certain peculiarities of such Securities. Furthermore, the tax authorities may restrict the application of judgements of tax courts to the individual case with regard to which the judgement was rendered.

As each issue of Securities may be subject to a different tax treatment, due to the specific terms of such issue of Securities, the following information only provides some very generic information on the possible tax treatment. The following information only describes the tax treatment of Securities in general and certain particularities with respect to individual types of Securities.

This information does not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services, pension funds, insurance companies or collective investment schemes, to whom special rules may apply.

The following information only describes the tax treatment of the income related to Securities in general and certain particularities with respect to individual types of Securities. Further, the following information does not provide for information with respect to the tax treatment of any underlying assets (i.e. Index).

The tax treatment applicable to non-French tax residents is not detailed hereafter.

Indeed, non-French tax residents holding Securities, issued by a non-French company, will generally not be subject to French personal or corporate income tax, unless said non-French tax resident holders has a specific connection with France (such as carrying out all or part of its activity through a permanent establishment in France to which income deriving from the Securities is paid).

In this respect, the concept of residence referred to in the following overview must be construed in accordance with French tax law.

Finally, the rules described hereafter may be affected by the provisions of the double tax treaties applicable, if any.



## 1. Personal and Corporate Income Tax

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### a) Personal Income tax for individuals holding Securities as part of their private assets.

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For such French tax resident individuals, the income derived from the Securities will be subject to French Income tax at the progressive rate, social contributions (generalized social contribution ("CSG"), social security debt contribution ("CRDS") and solidarity levy.) and potentially to the "additional contribution for high remuneration" and the "differential contribution on high incomes" (introduced by the finance bill for 2025, and which is applicable only for income of the year 2025 as of today) if applicable.

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#### Payments of interest

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In practice, according to Article 125 A of the French tax code ("FTC") and subject to certain exceptions, interest and other similar income received by French tax resident individuals are subject, at the time of payment, to an advanced tax payment at a global rate of 30 per cent. which includes both income tax and social contributions. When the paying agent is not based in France, the advanced tax payment is generally directly reported and paid by the individual taxpayer.

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This is not a final tax but an advance payment, which is deductible from the definitive personal income tax and social contribution liability.

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The year following the payment of the interest, the French resident individuals will have to file an income tax return including the above income so to regularize their final tax liability.

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At this time, they will be subject to:

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- a possible regularization of the income tax paid over the preceding year under the following regime:
  - either a flat tax, at the rate of 12.8 per cent.
  - or, at the taxpayer's option, the income tax progressive scale (at rates ranging between 0 per cent. and 45 per cent).
- Social contributions at the rate of 17.2 per cent.
- Potentially, "additional contribution for high earners". This contribution is calculated by applying a rate of:

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- 3% for the portion of the reference income which is comprised between €250,000 and €500,000 for those taxpayers who are single, widowed, separated or divorced, and for the portion comprised between €500,000 and €1,000,000 for the taxpayers who are subject to joint taxation.
  - 4% for the portion of the reference tax income exceeding €500,000 for those taxpayers who are single, widowed, separated or divorced, and for the portion exceeding €1,000,000 for the taxpayers who are subject to joint taxation.
  - The reference income for tax purposes of a tax household is defined pursuant to the provisions of 1° of IV of Article 1417 of the French Code général des impôts, without application of the quotient rules defined in Article 163-0 A of the French Code général des impôts. The reference income includes in particular the net capital gains resulting from the transfer of shares realized by the concerned taxpayers, prior to the application of the allowance for ownership duration if applicable.
  - And, potentially, the differential contribution on high incomes (introduced by the finance bill for 2025, and which is applicable only for income of the year 2025 as of today). This contribution applies to taxpayers fiscally domiciled in France and whose reference taxable income exceeds €250,000 (for a single person) or €500,000 (for a couple) when their average tax rate is less than 20%. For the calculation of the contribution, the reference taxable income to be used is defined in 1° of IV of article 1417 of the French Code général des impôts and is subject to numerous restatements.
- The contribution is equal to the difference, when positive, between:

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- the amount resulting from the application of a rate of 20% to the reference taxable income ; and

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- the amount of the sum of income tax and the "additional contribution for high earners", as well as income tax withholding, plus €1,500 per dependent person and €12,500 for taxpayers subject to joint taxation.

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As indicated above, the final income tax and social contributions payable are determined after deduction of the initial withholding tax.

Please note that, under certain conditions, French tax resident individuals belonging to a tax household whose income tax reference in the penultimate year is less than EUR 25,000.00 for single, divorced or widowed taxpayers or EUR 50,000.00 for those subject to joint taxation may apply for exemption from the initial withholding tax.

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As indicated above, the final income tax and social contributions payable are determined after deduction of the initial withholding tax.

Please note that, under certain conditions, French tax resident individuals belonging to a tax household whose income tax reference in the penultimate year is less than EUR 25,000.00 for single, divorced or widowed taxpayers or EUR 50,000.00 for those subject to joint taxation may apply for exemption from the initial withholding tax.

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### **Payment of redemption premiums**

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Any redemption premium, equal to the difference between the amount reimbursed at maturity date and the purchase price, is regarded as interest for French tax purposes.

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Therefore, this type of income is taxable under the same conditions, as described above (i.e. French Income tax, social contributions and potentially the "additional contribution for high earners" and the "differential contribution on high incomes").

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### **Capital gains**

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Capital gains deriving from the sale of the Securities (prior to the maturity date) are subject to income tax (either the flat tax at the rate of 12.8 per cent. or, optionally, the income tax sliding scale in which case a 40% allowance is available), social contributions at the rate of 17.2 per cent. and, under certain

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conditions, the "additional contribution for high remuneration" (at the rate of 3 per cent. or 4 per cent.) and the "differential contribution on high incomes".

In any case, no advanced tax payment is levied on capital gains. As from 1 January 2018, the capital losses incurred by a French tax resident can be offset, by priority, against capital gains of the same type realized in the year of the disposal or, in case of annual capital losses, the latter can be offset against capital gains of the same type generated over the next ten years.

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#### **b) Companies subject to corporate income tax**

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##### **Interest and redemption premiums**

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If the Securities are held by a French resident company, interest accrued over the fiscal year is included in the corporate tax base, taxable at the rate of 25 per cent. for fiscal year open on or after January 1st, 2022. A social contribution of 3.3 per cent. is also applicable when the global corporate income tax liability exceeds EUR 763,000.00 (Art. 235 ter ZC of the FTC). The combination of these two components results in an effective rate of 25.83 per cent. However, the entities whose the turnover for each 12 month-period is less than EUR 7,630,000.00 and whose share capital is fully-paid-up and at least 75 per cent. of which is held continuously by individuals (or by an entity meeting all of these conditions) are exempt from this contribution, in which case the effective rate remains 25 per cent.

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In addition, it should be noted that an exceptional contribution on the profits of large companies will apply to the first financial year ending as of December 31, 2025, for companies with an annual turnover of more than 1 billion euros, with progressive rates depending on the level of income. The combination of the rate of 25 per cent, the contribution of 3.3 per cent and this exceptional contribution gives an effective rate of 30.98 per cent for companies with a turnover between 1 billion and 3 billion euros and an effective rate of 36.13 per cent for companies with a turnover of more than 3 billion euros.

As a general rule, redemption premiums are also subject to corporate income tax, under the same conditions as interest.

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However, in certain circumstances some specific rules of taxation might apply to these premiums (Article 238 *septies* E of the FTC)

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and the premium is spread over the Securities maturity when said premium exceeds 10 per cent. of the acquisition price.

For completeness, it should be noted that French companies have to assess the value of the Securities at the end of each financial year. In the case where the value of the Securities at this date is lower than the book value, a provision for depreciation must be recorded. On the other hand any latent gain has to be recognized and taxed at the end of each fiscal year.

### **Capital gains**

The capital gains realized upon the sale of the Securities are included in the corporate tax base taxable at the aforementioned rates. The taxable capital gains may also be subject to the social contribution at the rate of 3.3 per cent and to the exceptional contribution on the profits of large companies where applicable.

## **2. Other Taxes**

### **a) Estate Tax**

There is no French estate tax for companies subject to corporate income tax.

### **b) French wealth tax**

As from 1 January 2018, and for all individuals French tax residents, the French wealth tax ("ISF") has been replaced by the "real property wealth tax" ("IFI"). The IFI is levied on the fair market value of real estate rights net of related debts held by individuals as of January 1<sup>st</sup> of a given fiscal year, provided that such value exceeds €1.3m per household.

According to Article 964 and subsequent of the FTC and administrative guidelines, the Securities held by French residents individuals are not be subject to "IFI".

### **c) Inheritance tax**

Pursuant to Article 750 ter of the FTC, French inheritance tax might be levied on Securities issued by a non-French company when the deceased person or the heir is French resident, at the time of the death. Likewise, such Securities are subject to gift tax in France if the donor or the donee is a French resident.

### **d) Registration tax**

No registration or similar taxes should be payable in France by the holder in connection with the Securities. However, where the bond is convertible or exchangeable in existing or

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newly issued shares in a company established in France with a market capitalization exceeding €1bn as of December 1 of the preceding year (or if the bonds are representing securities whose issuing company is established in France with a market capitalization exceeding €1bn as of December 1 of the preceding year), French financial transaction tax (Art. 235 ter ZD of the FTC) could be payable at the time of any transfer of such bonds for consideration (the applicable rate of this French financial transaction tax amounts to 0,4%). Besides, where the bond is convertible or exchangeable in existing shares, French financial transaction tax could be payable at the time of conversion, under certain conditions. In addition, if and when the French financial transaction tax does not apply, the conversion or exchange of the bond in existing shares may give rise to registration tax under article 726 of the FTC.

**e) Value added tax ("VAT")**

The acquisition or disposal of Securities is not subject to French VAT.

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**XIV. Taxation in Spain**

*The following is a general description of certain Spanish tax considerations resulting from the holding of the Securities. The information provided below does not purport to be a complete description of tax law and practice currently applicable in the Kingdom of Spain and is subject to any changes in law and the interpretation and application thereof, which could be made with retroactive effect. Furthermore, it is not a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Securities, and does not describe the tax consequences for certain categories of taxpayers including, but not limited to entities falling under the attribution of the income regime, financial institutions, Collective Investment Institutions or Cooperatives, which may be subject to specific rules. Prospective investors of the Securities should consult their own tax advisers as to which tax laws could be relevant to acquiring, holding and disposing of the Securities and receiving payments of interest, principal and/or other amounts under the Securities and the consequences of such actions under the tax laws of those countries. The Issuers makes no representations as to the completeness of the information nor*

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*undertake any liability whatsoever nature for tax implications of prospective investors.*

*This description does not take into account any regional or local legislation that could be of application. This section does not describe Spanish tax considerations arising from Law 7/2024, of 20 December, on the Complementary Tax to ensure a minimum level of taxation for multinational enterprise groups and large-scale domestic groups which may be relevant for a particular holder. The concept of residence referred to in the following overview must be construed in accordance with Spanish tax law. Additionally, the rules described hereafter may be affected by the provisions of the double tax treaties, if applicable.*

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This information has been prepared in accordance with the following Spanish tax legislation:

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- (i) for individuals resident for tax purposes in Spain which are subject to
  - (a) Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*) (the "**PIT**"), Law 35/2006, of 28 November 2006, on Personal Income Tax, as amended (the "**PIT Law**"); Royal Decree 439/2007, of 30 March 2007 promulgating the Personal Income Tax Regulations, as amended (the "**PIT Regulations**");
  - (b) the Wealth Tax (*Impuesto sobre el Patrimonio*), Law 19/1991, of 6 June 1991 on Wealth Tax as amended most recently by Royal Decree Law 18/2019, of 27 December (the "**Wealth Tax Law**");
  - (c) the Temporary Solidarity Tax on Large Fortunes (*Impuesto temporal de Solidaridad de las Grandes Fortunas*), Law 38/2022, of December 27, for the establishment of temporary energy taxes and taxes on credit institutions and financial credit establishments and creating the temporary solidarity tax on large fortunes, and amending certain tax regulations (the "**Temporary Solidarity Tax on Large Fortunes Law**");
  - and (d) the Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*), Law 29/1987, of 18 December 1987, on Inheritance and Gift Tax, as amended (the "**Inheritance and Gift Tax Law**");
- (ii) for legal entities resident for tax purposes in Spain which are subject to Corporate Income Tax (*Impuesto sobre Sociedades*) (the "**CIT**"), Law

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27/2014 of 27 November 2014, on Corporate Income Tax, as amended (the "**CIT Law**") and Royal Decree 634/2015, of 10 July 2015, promulgating the Corporate Income Tax Regulations, as amended (the "**CIT Regulations**");

- (iii) for individuals and entities who are not resident in Spain which are subject to Spanish Non-Resident Income Tax (*Impuesto sobre la Renta de los No Residentes*) (the "**NRIT**"), Royal Legislative Decree 5/2004, of 5 March 2004, promulgating the Consolidated Text of the Non-Residents Income Tax Law, as amended (the "**NRIT Law**"); Royal Decree 1776/2004, of 30 July 2004, promulgating the Non-Residents Income Tax Regulations, as amended (the "**NRIT Regulations**"); the Wealth Tax Law; the Temporary Solidarity Tax on Large Fortunes Law; and the Inheritance and Gift Tax Law.

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## **1. Taxes on Interest and Capital Gains**

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### **1.1. Introduction: Spanish withholding**

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On the basis that the Issuer is not resident in Spain for tax purposes and does not operate in Spain through a permanent establishment, branch or agency, all payments of principal and interest in respect of the Notes can be made free of any withholding or deduction for or on account of any taxes in Spain.

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### **1.2. Individual with tax residency in Spain subject to PIT**

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Interest from the Securities obtained by individuals subject to PIT, and also income from the transfer, reimbursement, redemption, exchange or conversion of the Securities would be considered a return on investment obtained from the transfer of funds to third parties according to article 25.2 of the PIT Law. Such income would be included in the savings taxable base and subject to the rules foreseen in that respect in the PIT Law.

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As from 2035, income included in the savings taxable base are currently taxed (i) at a rate of 19 per cent up to the first €6,000; (ii) at a rate of 21 per cent on the following up to €50,000; (iii) at a rate of 23 per cent on the following up to €200,000; (iv) at a rate of 27 per cent on the following up to €300,000; and (v) at a rate of 30 per cent on any excess over €300,000.

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Any income derived from the Securities would be subject to withholding tax, currently at the

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rate of 19 per cent, on account of the PIT of the holder.

On the basis that the Issuers are not resident in Spain for tax purposes and do not operate in Spain through a permanent establishment, branch or agency, all payments of principal and interest in respect of the Securities can be made free of any withholding or deduction for or on account of any taxes in Spain.

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Under certain conditions, withholding taxes may apply if the Securities are deposited with a Spanish resident entity acting as depositary or custodian or such Spanish resident entity is in charge of the collection of the income from the Securities, or in charge of the redemption of the securities, or receives from the holder the order to transfer the security, as the case may be.

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### **1.3. Legal entities with tax residency in Spain subject to CIT**

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According to article 10.3 of the CIT Law, the taxable income derived from the interest generated under the Securities and also income from the transfer, reimbursement, redemption, exchange or conversion of the Securities will be calculated in accordance with the accounting treatment of such income by the relevant entity and generally taxed at the standard rate of 25 per cent. Please note that, as of 1 January 2022, profits obtained by legal entities with tax residency in Spain will be taxed at a minimum effective tax rate of 15% of the taxable base in case that (i) the net turnover of the entity is 20 million euros in the twelve months prior to the commencement of the tax period or more or (ii) the entity is taxed under the consolidated tax regime.

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Any income derived from the Securities would be subject to withholding tax of 19 per cent on account of the CIT of the holder.

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On the basis that the Issuers are not resident in Spain for tax purposes and do not operate in Spain through a permanent establishment, branch or agency, all payments of principal and interest in respect of the Securities can be made free of any withholding or deduction for or on account of any taxes in Spain.

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Under certain conditions, withholding taxes may apply if the Securities are deposited with a Spanish resident entity acting as depositary or custodian or such Spanish resident entity is in charge of the collection of the income from the Securities, or in charge of the redemption of the securities, or receives from

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the holder the order to transfer the security, as the case may be.

In any case, income derived from the Securities obtained by CIT taxpayers will not be subject to withholding tax on account of Corporate Income Tax, in accordance with the provisions of Article 61.s) of the CIT Regulations provided that the Securities are listed on an organised market of an OECD country.

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#### **1.4. Individuals and Legal Entities not resident in Spain and subject to NRIT**

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Interest generated by the Securities or income from the transfer, reimbursement, redemption, exchange or conversion of the Securities obtained by individuals and legal entities not resident for tax purposes in Spain will be taxed pursuant to the NRIT Law.

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##### **1.4.1. Income obtained through a permanent establishment:**

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If the Securities form part of the assets of a permanent establishment in Spain of a non-Spanish resident person or entity, income from the Securities will be taxed under the same rules as those previously set out for legal entities subject to CIT.

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##### **1.4.2. Income obtained without a permanent establishment:**

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Income obtained by individuals or entities who are not resident in Spain for tax purposes and who do not act, with respect to the Securities, through a permanent establishment in Spain would not be considered as Spanish-source income and, therefore, would not be subject to taxation and withholding tax in Spain under the NRIT Law.

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## **2. Wealth Tax**

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Only individuals who are holders of Securities would be subject to Wealth Tax. Legal entities are not taxable persons under the Wealth Tax.

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### **2.1 Individuals with tax residency in Spain**

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Individuals with tax residency in Spain are subject to Wealth Tax to the extent that their net worth exceeds €700,000 (subject to any exceptions provided under relevant legislation in an autonomous region (*Comunidad Autónoma*)). Therefore, they should take into account the value of the Securities which they hold as at 31 December each year, the applicable rates ranging between 0.2 per cent. and 3.5 per cent.

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## **2.2. Individuals with no tax residency in Spain**

Non-Spanish residents would not be subject to the Wealth Tax on the holding of the Securities, provided that the Securities are not located in Spain and the rights deriving from them cannot be exercised within the Spanish territory.

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## **3. Temporary Solidarity Tax on Large Fortunes**

Only individuals who are holders of Securities would be subject to Temporary Solidarity Tax on Large Fortunes. Legal entities are not taxable persons under Spanish Temporary Solidarity Tax on Large Fortunes.

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With respect to its temporal scope, it was expected to be in force for two years (2022 and 2023), although a review clause was introduced, in order to evaluate its results at the end of its term and assess its maintenance or elimination. It has been extended indefinitely until the review of the patrimonial taxation takes place in the context of the amendment of the regional financing system.

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### **3.1 Individuals with tax residency in Spain**

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Individuals with tax residency in Spain are subject to Temporary Solidarity Tax on Large Fortunes to the extent that their net worth exceeds €3,000,000. For individuals with tax residency in Spain, there is a minimum exemption of €700,000 euros, which applies as from €3,000,000 of net worth.

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Therefore, they should take into account the value of the Securities which they hold as at 31 December each year.

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The taxable base is currently taxed (i) at a rate of 1.7 per cent up to the first €5.347.998,03; (ii) at a rate of 2.1 per cent on the following up to €10.695.996,06; (iii) at a rate of 3.5 per cent on any excess over €10.695.996,06.

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The amount payable for this Tax will be reduced in the amount paid for the Wealth Tax.

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### **3.2 Individuals with no tax residency in Spain**

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Non-Spanish residents would not be subject to the Temporary Solidarity Tax on Large Fortunes on the holding of the Securities, provided that the Securities are not located in Spain and the rights deriving from them cannot be exercised within the Spanish territory.

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The amount payable for this Tax will be reduced in the amount paid for the Wealth Tax.

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#### **4. Inheritance and Gift Tax**

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Only individuals who acquire ownership or other rights over the Securities by inheritance, gift or legacy are subject to the Spanish Inheritance and Gift. Legal entities are not subject to the Inheritance and Gift Tax.

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##### **4.1. Individuals with tax residency in Spain**

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Individuals resident in Spain for tax purposes who acquire ownership or other rights over any Securities by inheritance, gift or legacy will be subject to the Inheritance and Gift Tax in accordance with the applicable Spanish regional or State rules (subject to any regional tax exemptions being available to them). The applicable effective tax rates currently range between 0 per cent. and 81.6 per cent., subject to any specific regional rules, depending on relevant factors.

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##### **4.2 Individuals without tax residency in Spain**

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Non-Spanish resident individuals and non-Spanish legal entities without a permanent establishment in Spain that acquire ownership or other rights over the Securities by inheritance, gift or legacy, will not be subject to Inheritance and Gift Tax provided that the Securities are not located in Spain and the rights deriving from them cannot be exercised within the Spanish territory.

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#### **5. Value Added Tax, Transfer Tax and Stamp Duty**

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The issuance, acquisition and transfer of Securities is not taxable under Transfer Tax and Stamp Duty Tax, in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, of 24 September, nor will it be taxable under the Value Added Tax, in accordance with Law 37/1992, of 28 December, regulating such tax.

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#### **6. Disclosure obligations in connection with assets held abroad by Spanish resident natural and legal persons (Form 720)**

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According to Law 7/2012, Spanish resident natural or legal persons holding certain categories of assets abroad (including inter alia all types of debt securities) may be potentially liable to report them to the Spanish tax authorities on a yearly basis (filing in respect of Securities held as of 31 December

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every year will be due by 31 March of the immediately following year) in certain circumstances. Accordingly, any Spanish resident individual and corporate investors using a non-Spanish resident custodian to hold the Securities may be potentially liable to comply with such reporting obligations in respect of the Securities, if certain conditions are met. Failure to meet this new reporting obligation may trigger significant tax penalties and other tax implications.

Please note that the European Court of Justice delivered a ruling on 27 January 2022 declaring illegal several aspects of the Spain's tax form 720, such as the non-expiration of the debt and the disproportionate sanctions. As a consequence of the above, Law 5/2022 of 9 March 2022 has eliminated the tax debt non-expiration rule and has amended the relevant penalties, so that failure to make the necessary disclosure (including omission, falseness and inaccuracy of the information provided) may still be sanctioned, but the penalties to be imposed will be in accordance with the general regime established in the Spanish General Tax Law.

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#### **XV. Taxation in Belgium**

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The following summary describes the principal Belgian tax considerations with respect to the holding of Securities obtained by an investor in Belgium. This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Securities. This summary is based on Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this Base Prospectus, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect. This summary does not describe the tax consequences for a holder of Securities that are redeemable in exchange for, or convertible into assets, of the exercise, settlement or redemption of such Securities or any tax consequences after the moment of exercise, settlement or redemption.

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Each prospective holder of Securities should consult a professional adviser with respect to the tax consequences of an investment in the Securities, taking into

**account the influence of each regional, local or national law.**

## **1. Belgian Withholding Tax**

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Under Belgian tax law, "interest" income includes: (i) periodic interest income; (ii) any amount paid by the Issuer in excess of the issue price (whether or not on the maturity date); and (iii) if the Securities qualify as "fixed income securities" (in the meaning of article 2, §1, 8° Belgian Income Tax Code 1992), in the case of a realisation of the Securities between two interest payment dates, the interest accrued during the detention period. "Fixed income securities" include Securities where there is a causal link between the amount of interest income and the detention period of the Securities, on the basis of which it is possible to calculate the amount of pro rata interest income at the moment of the sale of the Securities during their lifetime. Further, on 25 January 2013, the Belgian tax authorities issued a circular letter on the tax treatment of income from structured products the return of which is linked to an underlying value (share basket, index, etc.) and the terms and conditions of which include one or more of the following features: (a) a (conditional) minimum return; (b) capital protection; (c) a periodic coupon payment; and (d) determination of income at an intermediary stage using a "ratchet" system. The circular letter takes the position that such structured products qualify as "fixed income securities" and sets out a (somewhat unclear) formula to calculate the pro rata of accrued interest. It is debatable whether the general statements made in the circular letter are in line with Belgian tax legislation.

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Payments of interest on the Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes) subject to such reductions or exemptions as may be available under Belgian domestic or treaty law.

## **2. Belgian Income Tax rules applicable to natural persons resident in Belgium**

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For Belgian resident individuals, the 30 per cent. Belgian withholding tax constitutes the final income tax. This means that they do not have to declare any interest obtained on the Securities in their personal income tax return, provided withholding tax was levied on these interest payments. Nevertheless, Belgian

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resident individuals may elect to declare any interest received on Securities in their personal income tax return. Also, if no Belgian withholding tax has been withheld (e.g. because the interest is paid outside Belgium without the intervention of a Belgian paying agent or because it concerns the pro rata of accrued interest in the case of a sale of the Securities), any interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return. Interest income which is declared in this way will in principle be taxed at a flat rate of 30 per cent. (or at the relevant progressive personal income tax rate(s), taking into account the taxpayer's other declared income, if this results in lower taxation) and no local surcharges will be due. The Belgian withholding tax levied may be credited against the income tax liability.

Capital gains realised upon the sale of the Securities are in principle tax exempt, except if the capital gains are realised outside the scope of the management of one's private estate (in which case the capital gain will be taxed at 33 per cent) or except to the extent that the capital gains qualify as interest (as defined above in the section entitled "Belgian Withholding Tax"). Capital losses are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals holding the Securities not as a private investment but in the framework of their professional activity or when the transactions with respect to the Securities fall outside the scope of the normal management of their own private estate.

### **3. Belgian resident corporations**

Interest derived by Belgian corporate investors (i.e. corporations subject to Belgian Corporate Income Tax) on the Securities and capital gains realised on the disposal or settlement of the Securities will in principle be subject to Belgian corporate income tax at the rate of in principle 25 per cent.. Subject to certain conditions, small companies (as defined in Article 1:24, § 1 to § 6 of the Belgian Companies and Associations Code) are taxable at the reduced corporate income tax rate of 20% on the first tranche of taxable profits of EUR 100,000.

If non-Belgian withholding tax has been levied on the interest, a foreign tax credit may be applied against the Belgian tax due. The foreign tax credit is determined by reference to a fraction where the numerator is equal to the rate of the foreign tax with a maximum of

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15 and the denominator is equal to 100 minus the amount of the numerator (with a number of additional limitations).

Capital losses on the Securities are in principle not tax deductible.

For Belgian resident corporations, interest payments on the Securities (except for Securities which are zero coupon securities or which provide for the capitalisation of interest) made through a paying agent in Belgium may under certain specific circumstances be exempt from withholding tax, provided a special attestation is delivered. The Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions.

Other tax rules apply to investment companies within the meaning of Article 185bis of the Belgian Income Tax Code 1992.

#### **4. Organisation for financing pensions**

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Interest derived on the Securities and capital gains realised on the Securities will not be subject to Belgian Corporate Income Tax in the hands of Belgian Organisations for Financing Pensions ("**OFPs**"). Capital losses incurred by OFPs on the Securities will not be tax deductible. Subject to certain conditions, any Belgian withholding tax that has been levied on the Securities is creditable and refundable in accordance with the applicable legal provisions.

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#### **5. Other Belgian legal entities**

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Legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities (Rechtspersonenbelasting/impôt des personnes morales), are subject to the following tax treatment in Belgium with respect to the Securities.

Payments of interest (as defined in the section entitled "Belgian Withholding Tax") on the Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest. However, if no Belgian withholding tax has been withheld (e.g. because the interest is paid outside Belgium without the intervention of a Belgian paying agent or because it concerns the pro rata of accrued interest in the case of a sale of the Securities), the legal entity itself is liable to declare the interest to the Belgian tax administration and

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to pay the 30 per cent. withholding tax to the Belgian treasury.

Capital gains realised on the Securities are in principle tax exempt, except to the extent the capital gain qualifies as interest (as defined in the section entitled "Belgian Withholding Tax"). Capital losses on the Securities are in principle not tax deductible.

## 6. Non-residents of Belgium

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The interest income (as defined in the section entitled "**Belgian Withholding Tax**") on the Securities paid to a Belgian non-resident outside of Belgium, i.e. without the intervention of a professional intermediary in Belgium, is not subject to Belgian withholding tax. Interest income on the Securities paid through a Belgian professional intermediary will in principle be subject to a 30 per cent. Belgian withholding tax, unless the holder is resident in a country with which Belgium has concluded a double taxation agreement and delivers the requested affidavit. Nevertheless, interest income paid through a professional intermediary established in Belgium will be made without deduction of Belgian Withholding Tax, provided that such professional intermediary qualifies as a recognised credit institution, exchange company or clearing or settlement institution and pays such interest to certain qualifying credit institutions, financial intermediaries, clearing and settlement institutions or portfolio management companies established outside of Belgium, referred to in Article 261, para. 4 of the Belgian Income Tax Code 1992 ("**Qualifying Intermediaries**"). Payments of interest to non-Qualifying Intermediaries collected through a professional intermediary established in Belgium will also be made without deduction of Belgian Withholding Tax, provided that interest is paid through a Belgian credit institution, a Belgian stock market company or a Belgian clearing or settlement institution and provided that such non-Qualifying Intermediary delivers an affidavit to the intermediary in which it certifies that the beneficial owners (i) are non-residents for Belgian income tax purposes, (ii) have not held the Securities as part of a taxable business activity in Belgium, and (iii) are the legal owner, or hold the usufruct of the Securities.

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Non-resident holders using the Securities to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident corporations (see above).

Non-resident holders who do not allocate the Securities to a professional activity in Belgium are not subject to Belgian income tax, save, as the case may be, in the form of withholding tax.

#### **7. Belgian tax on stock exchange transactions and tax on repurchase transactions**

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The purchase and sale of the Securities on the secondary market that is (i) either entered into or carried out in Belgium through a professional intermediary or (ii) deemed to be carried out in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by a private individual with habitual residence in Belgium or by a legal entity for the account of its seat or establishment in Belgium (both referred to as a "Belgian Investor"), will be subject to a tax on stock exchange transactions ("taks op beursverrichtingen" / "taxe sur les opérations de bourse"). The tax is generally due at a rate 0.12 per cent. for transactions in debt instruments and at a rate of 0.35 per cent. for transactions in other securities which are not capitalisation shares, with a maximum amount per transaction and per party of €1,300 for debt instruments and €1,600 for other securities which are not capitalisation shares. The tax is due separately from each of the seller/transferor and the purchaser/transferee and is collected by the professional intermediary.

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If the professional intermediary is established outside Belgium, the tax on stock exchange transactions is due by the ordering private individual or legal entity (who will be responsible for the filing of a stock exchange tax return and for the timely payment of the amount of stock exchange tax due) unless that individual or entity can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (borderel/bordereau), at the latest on the business day after the day on which the relevant transaction was realised. The qualifying order statements must be numbered in series and duplicates must be retained by the financial intermediary. A duplicate can be replaced by a qualifying agent day-today listing, numbered in series. Alternatively, professional intermediaries

established outside Belgium have the possibility to appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (a "Stock Exchange Tax Representative"). Such Stock Exchange Tax Representative will then be liable toward the Belgian Treasury for the tax on stock exchange transactions on behalf of clients that fall within one of the aforementioned categories (provided that these clients do not qualify as exempt persons for stock exchange tax purposes – see below) and to comply with the reporting obligations and the obligations relating to the order statement (borderel/bordereau) in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

However, tax on stock exchange transactions will not be payable by exempt persons acting for their own account, including investors who are Belgian non-residents provided they deliver an attestation to the financial intermediary in Belgium confirming their non-resident status, and certain Belgian institutional investors as defined in Article 1261, 2° of the Code of various duties and taxes ("Code des droits et taxes divers"/"Wetboek diverse rechten en taksen").

The European Commission has published a proposal for a FTT. This proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or value added tax as provided in the Council Directive 2006/112/EC of 28 November, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

#### **8. Belgian Annual tax on securities accounts**

Pursuant to the Belgian Law of 17 February 2021 on the introduction of an annual tax on securities accounts, an annual tax is levied on securities accounts with an average value, over a period of twelve consecutive months starting on 1 October and ending on 30 September of the subsequent year, higher than EUR 1 million.

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The tax is equal to 0.15 per cent. of the average value of the securities accounts during a reference period. The reference period normally runs from 1 October to 30 September of the subsequent year. The taxable base is determined based on four reference dates: 31 December, 31 March, 30 June and 30 September. The amount of the tax is limited to 10 per cent. of the difference between the taxable base and the threshold of EUR 1 million.

The tax targets securities accounts held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held with a financial intermediary which is established or located in Belgium or abroad. The tax also applies to securities accounts held by non-resident individuals, companies and legal entities with a financial intermediary established or located in Belgium. Belgian establishments from Belgian non residents are however treated as Belgian residents for purposes of the annual tax on securities accounts so that both Belgian and foreign securities accounts fall within the scope of this tax. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the tax on securities accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

Each securities account is assessed separately. When multiple holders hold a securities account, each holder is jointly and severally liable for the payment of the tax and each holder may fulfil the declaration requirements for all holders.

There are various exemptions, such as securities accounts held by specific types of regulated entities for their own account.

A financial intermediary is defined as (i) the National Bank of Belgium, the European Central Bank and foreign central banks performing similar functions, (ii) a central securities depository included in Article 198/1, §6, 12° of the Belgian Income Tax Code, (iii) a credit institution or a stockbroking firm as defined by Article 1, §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (iv) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national

law, admitted to hold financial instruments for the account of customers.

The annual tax on securities accounts is in principle due by the financial intermediary established or located in Belgium. Otherwise, the annual tax on securities accounts needs to be declared and is due by the holder of the securities accounts itself, unless the holder provides evidence that the annual tax on securities accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint an annual tax on securities accounts representative in Belgium. Such a representative is then liable towards the Belgian Treasury (Trésor/Thesaurie) for the annual tax on securities accounts due and for complying with certain reporting obligations in that respect. If the holder of the securities accounts itself is liable for reporting obligations (e.g. when a Belgian resident holds a securities account abroad with an average value higher than EUR 1 million), the deadline for filing the tax return for the annual tax on securities accounts corresponds with the deadline for filing the annual tax return for personal income tax purposes electronically, irrespective whether the Belgian resident is an individual or a legal entity. In the latter case, the annual tax on securities accounts must be paid by the taxpayer on 31 August of the year following the year on which the tax was calculated, at the latest.

Anti-abuse provisions, retroactively applying from 30 October 2020, were also introduced: a rebuttable general anti-abuse provision and two irrebuttable specific anti-abuse provisions. However, on 27 October 2022, the Belgian Constitutional Court annulled the two irrebuttable specific anti-abuse provisions and the retroactive effect of the general anti-abuse provision.

Prospective holders of Securities are advised to seek their own professional advice in relation to the annual tax on securities accounts.

## **9. Exchange of information**

The exchange of information is governed by the Common Reporting Standard (CRS). As of 13 March 2025, the total of jurisdictions that have signed the multilateral competent authority agreement on the automatic exchange of financial account information (MCAA), amounted to 126. The MCAA is a

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multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

Council Directive 2011/16/EU on administrative cooperation in the field of taxation, as amended by the Directive on Administrative Cooperation (2014/107/EU) of 9 December 2014 (DAC2), implemented the exchange of information based on the CRS within the EU. The CRS has been transposed in Belgium by the Law of 16 December 2015.

Under CRS, financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

## **XVI. Irish Taxation**

*The following is a summary based on the laws and practices currently in force in Ireland of certain matters regarding the tax position of investors who are the absolute beneficial owners of the Securities and who are not associated with the relevant Issuer (otherwise than by virtue of holding the Securities). Particular rules not discussed below may apply to certain classes of taxpayers holding Securities, including dealers in securities and trusts. It is based on the laws and practice of the Revenue Commissioners currently in force in Ireland as at the date hereof and may be subject to change. The summary does not constitute tax or legal advice and the comments below are of a general nature only and it does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Securities. Prospective investors in the Securities should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Securities and the receipt of payments*

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thereon under the laws of their country of residence, citizenship or domicile.

### **Taxation of holders of Securities**

#### **Withholding Tax**

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The relevant Issuer will not be obliged to withhold Irish income tax from payments of interest on the Securities so long as such payments do not constitute Irish source income. Interest paid on the Securities should not be treated as having an Irish source unless:

- (a) the relevant Issuer is resident in Ireland for tax purposes; or
- (b) the relevant Issuer has a branch or permanent establishment in Ireland, the assets or income of which are used to fund the payments on the Securities; or
- (c) the relevant Issuer is not resident in Ireland for tax purposes but the register for the Securities is maintained in Ireland or (if the Securities are in bearer form) the Securities are physically held in Ireland.

It is anticipated that (i) the Issuers are not and will not be resident in Ireland for tax purposes; (ii) the Issuers do not and will not have a branch or permanent establishment in Ireland; (iii) bearer Securities will not be physically located in Ireland; and (iv) the Issuers will not maintain a register of any registered Securities in Ireland.

If payments of interest on the Securities are found to constitute Irish source interest, an Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Securities so long as the interest paid on the relevant Security falls within the following category and meets the relevant conditions:

#### **Interest paid on a quoted Eurobond**

A quoted Eurobond is a security which is issued by a company (such as the Issuers), is listed on a recognised stock exchange (which is interpreted by the Irish Revenue Commissioners to mean an exchange which is recognised by the appropriate regulatory authorities in the country in which it is located and has substantially the same level of recognition in that country as the Irish Stock

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Exchange has in Ireland) and carries a right to interest. Provided that the Securities (i) carry an amount in respect of interest and (ii) are listed on a recognised stock exchange, interest paid on them can be paid free of withholding tax provided the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:

- (a) the Security is held in a clearing system recognised by the Irish Revenue Commissioners; (Euroclear and Clearstream, Luxembourg are, amongst others, so recognised) and it is reasonable to consider that the Issuer is not, and should not be, aware that the Securities are held by an “associated entity” that is resident in either a zero-tax territory or a territory included in Annex 1 of the Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes (together, a “**Specified Territory**”); or
- (b) the person who is the beneficial owner of the Security and who is beneficially entitled to the interest payable in respect of a Security is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form.

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For these purposes, an entity will be an “associated entity” if it has a direct or indirect majority share (i.e. more than 50 per cent.) of the voting rights, capital ownership or profits of another entity (or a third entity has such a direct or indirect majority share in both). Entities will also be “associated” if one entity has control of another entity through the board of directors (or a third entity has control through the board of directors over both).

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Thus, if interest payable on the Securities is found to have an Irish source, so long as the Securities are interest bearing, continue to be quoted on a recognised stock exchange and are held in a recognised clearing system, interest on the Securities can be paid by any paying agent acting on behalf of an Issuer without any withholding or deduction for or on account of Irish income tax. If the Securities continue to be quoted on a recognised stock exchange but cease to be held in a recognised clearing system, interest on the Securities may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland.

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### *Short Interest:*

Short interest is interest payable on a debt for a fixed period that is not intended to exceed, and, in fact, does not exceed, 364 days. The test is a commercial test applied to the commercial intent of each series of Securities. For example, if there is an arrangement or understanding (whether legally binding or not) for the relevant series of Securities to have a life of 365 days or more, the interest paid on the relevant Securities will not be short interest and, unless an exemption applies, a withholding will arise.

### **Encashment Tax**

Irish tax will be required to be withheld at the rate of 25 per cent. on any interest, dividends or annual payments payable out of or in respect of the stocks, funds, shares or securities of a company not resident in Ireland, where such interest, dividends or annual payments are collected or realised by a bank or encashment agent in Ireland.

Encashment tax will not apply where the beneficial owner of a payment on the Securities (i) is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank or (ii) is a company which is within the charge to Irish corporation tax in respect of the payment.

## **XVII. Taxation in the Czech Republic**

*The following is a general discussion of certain Czech tax consequences of the acquisition, ownership and disposition of Securities. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Securities. The following section only provides some very general information on the possible tax treatment of income from the Securities. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This overview is based on the laws of the Czech Republic currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect. The information contained within this section is limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Securities.*

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The summary is mainly based on Act No. 586/1992 Coll., on Income Taxes, as amended, and on other related laws which are effective as of the date of this Base Prospectus as well as on the administrative practice or the prevailing interpretations of these laws and other regulations as applied by Czech tax, administrative and other authorities and bodies and as these are known as at the date of this Base Prospectus. The information contained herein is neither intended to be nor should be construed as legal or tax advice and Holders of the Securities should consult their own tax advisors. The description below is solely of a general nature (i.e. it does not take into account, for example, specific tax treatment of certain taxpayers such as investment, mutual or pension funds) and may change in the future depending on changes in the relevant laws that may occur after the date of this Base Prospectus, or in the interpretation of these laws which may be applied after that date.

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The following summary assumes that the person to whom any income is paid in connection with the Securities is a beneficial owner of such income (within the OECD meaning of this term), i.e. it does not act, for example, as a proxy, agent, depositary or in any other similar position in which any such payments would be received on account of another person or entity.

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### **Czech Tax Residents**

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#### **(a) Individuals**

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Income of Czech tax resident individuals from holding, redemption or sale of the Securities, including any interest, is generally included in the general tax base, which is subject to personal income tax at a progressive rate of 15 per cent. and 23 per cent. depending on individual's applicable bracket (the threshold for higher bracket is 36 times the average wage, amounting to CZK 1,676,052 in 2025).

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Capital gains from the sale of the Securities that have not formed part of business assets of an individual are generally exempt from personal income tax if:

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- total annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Securities) does not exceed the amount of CZK 100,000, or
- such gains are derived from the sales of the Securities which the individual has held for more than three years

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prior to their sale (however, income from a future sale of the Securities where a purchase agreement is concluded after three years but where income arises within three years from their acquisition is not tax-exempt); as of 2025, this exemption is limited only up to total annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Securities), shares in companies, and crypto-assets in the aggregate amount of CZK 40,000,000.

If the Securities formed part of business assets of an individual, the exemption upon their sale may still apply, but only if the Securities are sold no earlier than three years after the termination of that individual's business activities.

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If an individual has held the Securities in connection with his/her business activities, such gains may also be subject to social security and health insurance contributions.

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Losses from the sale of the Securities realised by an individual are generally tax non-deductible, except where such losses are compensated by taxable gains on the sales of other securities in the same year and the income from the sale of the Securities is not tax-exempt.

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#### (b) Legal Entities

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Income of Czech tax resident entities is included in the general tax base, which is subject to corporate income tax at a flat rate of 21 per cent.

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Entities which are an accounting unit are generally required to recognise the income in its profit and loss statement on an accrual basis. Losses from the sale of the Securities realised by the entities are generally tax deductible.

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#### **Czech Tax Non-Residents**

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Income of Czech tax non-residents from holding, redemption or sale of the Securities, including any interest, is subject to taxation in the Czech Republic provided that:

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- the Securities are attributable to a Czech permanent establishment of the Czech tax non-resident, or
- in case of income from sale, the Securities are acquired by (i) a Czech tax resident or (ii) a Czech tax non-resident acquiring the Securities

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through his/her/its Czech permanent establishment.

If subject to taxation in the Czech Republic (as defined above), income of Czech tax non-residents subject to taxation in the Czech Republic would have generally the same tax regime as described above for Czech tax resident individuals or entities, respectively.

Furthermore, if the Securities are sold by a Czech tax non-resident who is not a tax resident of an EU/EEA member state, a buyer acting as a withholding agent may be required to withhold a tax security amounting to 1 per cent. of the gross purchase price, if not eliminated under a tax treaty. The buyer will act as a withholding agent if he/she/it is:

- a Czech tax resident, or
- a Czech tax non-resident and the acquired Securities are attributable to his/her/its Czech permanent establishment.

Any tax security withheld is creditable against the final tax liability as declared by the Czech tax non-resident selling the Securities in a Czech tax return for the relevant tax year (any tax security over-withholding is generally refundable).

### **Reporting Obligation**

An individual holding the Securities (whether a Czech tax resident or a Czech tax non-resident) is obliged to report to the Czech tax authorities any income earned in connection with the Securities if such income is exempt from taxation in the Czech Republic and exceeds, in each individual case, CZK 5,000,000. The reporting must be fulfilled within the deadline for filing a personal income tax return. A non-compliance with this reporting obligation is penalized by a sanction of up to 15 per cent. of a gross amount of the unreported income.

### **Value Added Tax**

Acquisition or sale of the Securities is outside the scope of Czech value added tax.

### **Other taxes or duties**

No registration tax, capital tax, customs duty, transfer tax, stamp duty or any other similar tax or duty is payable in the Czech Republic in respect of or in connection with the mere purchase, holding or disposition of the Securities.

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## XVIII. Polish Taxation

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*The following is a summary of certain Polish tax considerations with respect to the holding of Securities issued by current Issuers by an investor resident in Poland. The summary does not cover tax consequences concerning exemptions available to specific taxpayers or specific taxable items. This information is of a general nature and does not purport to be a comprehensive description of all Polish tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Securities. Prospective purchasers of the Securities are advised to consult their professional tax advisers concerning the tax consequences of acquiring, holding and disposal of the Securities under their individual circumstances.*

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*The reference to "interest" as well as to any other terms in the paragraphs below means "interest" or any other term as understood in Polish tax law.*

For the purpose of this Section:

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**"Affiliated Entities"** shall mean:

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- (i) entities of which one entity exercises a significant influence on at least one other entity; or
- (ii) entities on which a Significant Influence is exercised by: (A) the same other entity or (B) the spouse or a relative by consanguinity or affinity up to the second degree of a natural person exercising a significant influence on at least one entity, or
- (iii) a partnership without legal personality and its partners (partner), or
- (iv) limited partnerships and limited joint-stock partnership with their registered office or management in the territory of the Republic of Poland and its general partner; or
- (v) specific general partnerships with their registered office or management in the territory of the Republic of Poland and its partner; or
- (vi) a taxable person and their foreign establishment, and in the case of a tax capital group - a company being its part and its foreign establishment; and

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(each of being a manifestation of an existence an **"Affiliation"**)

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**"Exercising of a Significant Influence"** shall mean

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(i) holding directly or indirectly at least 25 per cent. of:

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(A) shares in the capital or

(B) voting rights in the supervisory, decision-making or managing bodies, or

(C) shares in or rights to participate in the profits, losses or the property or their expectative, including participation units and investment certificates, or

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(ii) the actual ability of a natural person to influence key economic decisions taken by a legal person or an organisational unit without legal personality, or

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(iii) being the spouse or a relative by consanguinity or by affinity up to the second degree.

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**Income taxation of a Polish tax resident personal income taxpayer**

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Under Art. 3.1 of the Act on Personal Income tax Act dated 26 July 1991 (the **PIT Act**) natural persons, if they residing in Poland, are subject to tax on their total income (revenue) regardless of the location of their sources of income (unlimited tax liability).

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Under Art. 3.1a a person residing in Poland is a person who:

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- has a center of personal or economic interests in Poland (centre of vital interests) or

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- stays in Poland for more than 183 days in a tax year, unless the relevant tax treaty provides otherwise (Article 3.1a of the PIT Act).

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**Interest income and income from the issuer's redemption of Securities on which periodic benefits are due**

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Under Art. 30a.7 of the PIT Act, interest income, including discount, from Securities and income from the issuer's redemption of Securities which periodic benefits are due does not cumulate with general income taxed progressively, but under Art. 30a.1.2 and 2a of the PIT Act is subject to tax at flat rate of 19 per cent.

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According to the Art. 24.24 of the PIT Act, the income from the issuer's redemption of securities which period benefits are due referred to in Art. 30a.1.2a of the PIT Act is the difference between the amount obtained from the redemption of the bonds together with the benefits received for the last period prior to the redemption of those bonds and the expenses incurred for the subscription or acquisition of those bonds on the primary or secondary market by the taxpayer or the testator, whereby the interest paid by the taxpayer or his testator upon the subscription or acquisition of the bonds shall not constitute expenditure on the subscription or acquisition of the bonds to the extent that such interest is not taxable or is exempt from tax.

Under Art. 30a.9 of the PIT Act, taxpayers may deduct withholding tax incurred outside Poland up to an amount equal to the tax paid abroad, but not higher than the tax calculated at 19% per cent. The relevant double tax treaties to which Poland is a party can provide other methods for avoiding the double taxation.

Under Art. 41.4 of the PIT Act, the payer, other than an individual not acting within the scope of their business activity, is obliged to collect flat-rate income tax on payments made (benefits) or on the money or money equivalents made available to the taxpayer.

Under Art. 41.4d of the PIT Act, the entities keeping securities accounts for taxpayers, acting as tax remitters, should withhold the tax on interest income and income from the issuer's redemption of Securities which periodic benefits are due if such income has been earned in Poland and is related to securities recorded on these accounts, and the payment to the taxpayers made through these entities. These rules should also apply to the entities indicated in Art. 3.2 of the CIT Act (non-residents), to the extent they conduct their business activity through a foreign establishment located within the territory of Poland, if the account on which given securities are recorded is connected with the activity of that establishment.

There are no regulations defining in which cases income earned (revenue) by a Polish tax resident should be considered income (revenue) earned in Poland. However, we can expect those cases to be analogous to those of non-residents. Pursuant to Art. 3.2b of the PIT Act, income (revenues) earned in the Republic of Poland by nonresidents shall include in particular income (revenues) from:

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1. work performed in the Republic of Poland based on a service relationship, employment relationship, outwork system and co-operative employment relationship irrespective of the place where remuneration is paid;
2. activity performed in person in the Republic of Poland irrespective of the place where remuneration is paid;
3. economic activity pursued in the Republic of Poland, including through a foreign establishment located in the Republic of Poland;
4. immovable property located in the Republic of Poland or rights to such property, including from its disposal in whole or in part, or from disposal of any rights to such property;
5. securities and derivatives other than securities, admitted to public trading in the Republic of Poland as part of the regulated stock exchange market, including those obtained from the disposal of these securities or derivatives, or the exercise of rights resulting from them;
6. redemption, repurchase, buy-out and otherwise annihilation of participation titles in capital funds established on the basis of the provisions in force in the Republic of Poland and sale of these participation titles for a fee;
7. the transfer of ownership of shares in a company, of all rights and obligations in a partnership without legal personality, or participation in an investment fund, a collective investment undertaking or other legal entity and rights of similar character or from receivables being a consequence of holding those shares, rights and obligations, participation or rights- if at least 50% of the value of assets of this company, partnership, investment fund, collective investment undertaking or legal entity is constituted, directly or indirectly, by immovable properties located in the Republic of Poland, or rights to such immovable properties;
8. the transfer of ownership of shares, all rights and obligations, participation or similar rights in a real estate company (as defined in the PIT Act);
9. the receivables settled, including receivables put at disposal, paid out

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or deducted, by natural persons, legal persons, or organisational units without legal personality, having their place of residence, registered office, or management board in the Republic of Poland, irrespective of the place of concluding and performing the agreement; and the income (revenue) referred to in this point is considered to be the revenue listed in Art. 29.1 of the PIT Act, if they do not constitute income (revenue) referred to in points (i)-(vii) above; Art. 29.1 of the PIT Act lists, among others, interest income other than those mentioned in Art. 30a.1 of the PIT Act (which, in turn, refers to interest and discount on securities and income from the issuer's redemption of bonds on which periodic benefits are due); and

10. unrealised gains as referred to in the exit tax regulations.

The above list is not exhaustive; therefore, the tax authorities may also consider that income (revenues) not listed above is sourced in Poland.

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Given the above, each situation should be analysed to determine whether interest (or income from the issuer's redemption of Securities which periodic benefits are due) earned by a Polish tax resident individual from the securities is considered to be income sourced in Poland and whether the entity operating the securities account for the individual will withhold the tax.

Under Art. 45.3b of the PIT Act, if the tax is not withheld, Polish tax resident individual is obliged to declare and settle the tax themselves in their annual tax return. Under Art. 45.1 of the PIT Act, the annual tax return should be submitted by 30 April of the following year.

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Separate, specific rules apply to interest income and income from the issuer's redemption of Securities which periodic benefits are due on securities held on Polish omnibus accounts (within the meaning of the provisions of the Act on Trading in Financial Instruments, hereinafter **Omnibus Accounts**). Under Article 41.10 of the PIT Act, insofar as securities registered in Omnibus Accounts are concerned, the entities operating Omnibus Accounts through which the amounts due are paid are liable to withhold the flat-rate income tax on interest income (or income from the issuer's redemption of Securities which periodic benefits are due). The tax is charged on the

day of placing the amounts due at the disposal of the Omnibus Account holder. This rule also applies to remitters who are payers of corporate income tax and are subject to limited tax liability in Poland, to the extent they conduct their business through a foreign establishment and it is to that establishment's operations that the securities account is linked.

Pursuant to Art. 41.4da of the PIT Act, in the circumstances referred to in Art. 41.4d and 10, entities making payments due through securities accounts or omnibus accounts are required to notify the entities maintaining such accounts that there is an Affiliation relation between them and the taxpayer, and that the amount referred to in section 12 will be exceeded, at least 7 days before making the payment. Entities providing such information are required to update it before making the actual payment if circumstances that the information concerns change. In addition, in accordance with Art. 41.12d of the PIT Act, in the circumstances referred to in sections 4d and 10, the excess amount and the existence of the Affiliations will be determined by the entity keeping securities accounts or omnibus accounts. The entity keeping securities accounts or omnibus accounts does not take into consideration the amounts of payments on which tax was collected in accordance with Art. 30a.2a.

Pursuant to Art. 30a.2a of the PIT Act, with respect to income (revenue) from interest and income from the issuer's redemption of Securities which periodic benefits are due transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 19 per cent. flat-rate tax is withheld by the tax remitter (under art. 41.10 of the PIT Act the entity operating the Omnibus Account) from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. These rules should also apply to the entities indicated in Art. 3.2. of the CIT Act to the extent that they conduct business activity through a foreign establishment located within the territory of Poland, if the account on which given securities are recorded is connected with the activity of that establishment. Consequently, foreign entities that do not operate through a Polish permanent establishment, e.g. foreign investment firms not acting through Polish permanent establishments, should not be obliged to withhold the tax.

Under Art. 45.3c of the PIT Act, taxpayers are obliged to disclose the amount of interest (discount) on securities (including the Securities) and income from the issuer's redemption of Securities which periodic benefits are due in the annual tax return if the Securities were registered in an Omnibus Account and the taxpayer's identity was not revealed to the tax remitter.

#### **Other income**

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Income other than interest (and income from the issuer's redemption of Securities which periodic benefits are due) derived by a Polish tax resident individual from financial instruments held as non-business asset, including income from transfer of Securities against a consideration does not cumulate with general income taxed progressively, but is subject to flat rate tax at 19 per cent. The cost of acquiring Securities is generally tax deductible when the corresponding revenue from disposal of Securities is earned.

Revenue from the disposal of Securities against a consideration is their value expressed in the price specified in the contract (Art. 17.2 and Art. 19.1 of the PIT Act). However, if the price, without justified economic reasons, significantly differs from the market value, the tax authority determines the revenue in the amount of the market value (Art. 19.4 of the PIT Act).

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The Polish tax resident individual is obliged to declare and settle the tax due on the disposal of Securities against consideration themselves from 15 February until 30 April of the year following the year in which the income was earned (Art. 45.1 of the PIT Act). No tax is withheld by the person making the payments.

In principle, if an individual holds the Securities as business assets the income should be taxed the income should be subject to tax in the same way as other business income, depending up on the individual's choice and the meeting of certain conditions, should be settled by the individuals themselves.

#### **Solidarity levy**

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Under Art. 30h of the PIT Act, natural persons are obliged to pay a solidarity levy in the amount of 4 per cent. of the basis for calculating this levy.

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The basis for calculating the solidarity levy is the amount in excess of PLN 1,000,000 of the sum of income subject to taxation under Art. 27 sec. 1, 9 and 9a, Art. 30b (including income

from disposal of securities against a consideration when held as non-business assets), Art. 30c (including business profits subject to flat rate taxation) and Art. 30f of the PIT Act after their reduction by:

- (1) the amounts of contributions referred to in Art. 26. 1. 2 and 2a, and the contributions referred to in Art. 30c2.2,
- (2) the amounts referred to in Art. 30f. 5 of the PIT Act,  
- deducted from this income

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When determining the basis for calculating the solidarity levy in the calendar year income and the amounts reducing this income referred to in the PIT Act should be taken into account.

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Natural persons are obliged to submit to the tax office a declaration on the amount of the solidarity tax by 30 April of the calendar year and pay the solidarity tax within this period.

#### **Income taxation of a Polish tax resident corporate income taxpayer**

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Under Art. 3.1 of the Act on Corporate Income tax Act dated 15 February 1992 (the CIT Act) taxpayers, if they have their registered office or management board in Poland are subject to tax on their total income, regardless of where it is earned.

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The taxpayer has a management board in Poland, inter alia, when current affairs of that taxpayer are conducted in an organized and continuous manner in Poland, based in particular on:

- a contract, decision, court ruling or other document regulating the establishment or functioning of that taxpayer, or
- powers of attorney granted, or
- Affiliations.

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A Polish tax resident corporate income taxpayer should be subject to income tax regarding the Securities (both on any capital gains and on interest/discount) following the same principles as those which apply to any other income received from business activity within the same source of income. Interest is generally taxable on a cash basis, i.e. when it is received or capitalized and not when it has accrued. In respect of capital gains revenue from the disposal of Securities against a consideration is their value expressed in the price specified in the contract. However, if the price, without justified economic reasons, significantly differs from the market value, the

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tax authority determines the revenue in the amount of the market value. The cost of acquiring Securities is generally tax deductible when the corresponding revenue from disposal of Securities is earned. The Polish tax resident corporate income taxpayer itself (without the involvement of the tax remitter) is responsible for settling any income tax on interest/discount and on the disposal of Securities against a consideration within the relevant source of income.

Regarding the proper source of revenue, in principle, the income (revenue) from securities, including their transfer against a consideration, is combined with revenues from capital gains (Art. 7b.1.6 of the CIT Act). In the case of insurers, banks and certain other entities, this revenue is classified as revenues from other sources than capital gains (Art. 7b.2 of the CIT Act).

The appropriate tax rate is the same as the tax rate applicable to business activity, i.e. 19 per cent. for a regular corporate income taxpayer or 9 per cent. for small and new taxpayers i.e. taxpayers with revenues in the tax year not exceeding EUR 2 million (with certain exceptions listed in Art. 19.1a-1e of the CIT Act), taking into consideration the appropriate source of income (the lower rate does not apply to incomes classified as capital incomes - Art. 7b of the CIT Act).

Although Polish corporate income taxpayers should not be subject to Polish withholding tax, such tax may be withheld, under specific rules applying to interest income on securities held in Omnibus Accounts, under Art. 26.2a of the CIT Act, for income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 20 per cent flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. If such tax is withheld for a Polish tax resident corporate income taxpayer, to receive a refund of such tax, the entity should contact its tax advisor.

Any withholding tax incurred outside Poland up to an amount equal to the tax paid abroad, but not higher than the tax calculated according to the relevant domestic rate can be deducted from Polish income tax liability. The relevant conventions for the avoidance of double taxation to which Poland is a party can

provide other methods for avoiding the double taxation.

**Securities held by a non-Polish tax resident (natural person or corporation)**

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Under Art. 3.2a of the PIT Act, natural persons, if they do not reside in Poland, are liable to pay tax only on income (revenue) earned in Poland (limited obligation to pay tax).

Under Art. 3.2 of the CIT Act, in the case of taxpayers who do not have their registered office or management in Poland, only the income they earn in Poland is subject to tax obligation in Poland.

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Non-Polish tax resident individuals and corporate income taxpayers are subject to Polish income tax only with respect to their income earned in Poland. Under Art. 3.3 of the CIT Act, income (revenues) earned in the Republic of Poland by non-residents shall include in particular income (revenues) from:

1. all types of activity pursued in the Republic of Poland, including through a foreign establishment located in the Republic of Poland;
2. immovable property located in the Republic of Poland or rights to such property, including from its disposal in whole or in part, or from the disposal of any rights to such property;
3. securities and derivatives other than securities, admitted to public trading in the Republic of Poland as part of the regulated stock exchange market, including those obtained from the disposal of these securities or derivatives, or the exercise of rights resulting from them;
4. the transfer of ownership of shares in a company, of all rights and obligations in a partnership without legal personality, or participation in an investment fund, a collective investment undertaking or other legal entity and rights of similar character or from receivables being a consequence of holding those shares, rights and obligations, participation or rights - if at least 50% of the value of assets of this company, partnership, investment fund, collective investment undertaking or legal entity is constituted, directly or indirectly, by immovable properties located in the Republic of Poland, or rights to such immovable properties;

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5. the transfer of ownership of shares, all rights and obligations, participation or similar rights in a real estate company (as defined in the CIT Act);
6. the receivables settled, including receivables put at disposal, paid out or deducted, by natural persons, legal persons, or organisational units without legal personality, having their place of residence, registered office, or management board in the Republic of Poland, irrespective of the place of concluding or performing the agreement; and
7. unrealised gains referred to in the exit tax regulations.

Similar provisions are included in Art. 3.2b of the PIT Act.

It should be noted that the list of incomes (revenues) gained in Poland, as provided in Art. 3.3. of the CIT Act and Art. 3.2b of the PIT Act is not exhaustive, therefore, other income (revenues) may also be considered as earned in Poland.

Given the above, each situation should be analysed to determine whether interest (and income from the issuer's redemption of Securities which periodic benefits are due) earned by a Polish tax resident from the Securities is considered to be income sourced in Poland.

If income from the Securities is considered as sourced in Poland, the following applies:

*Exemption for interest obtained by non-Polish tax residents on Securities meeting special conditions and remittance exemption*

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### **Corporate income tax**

Under Art. 17.1.50c of the CIT Act, tax-free income is income earned by a CIT taxpayer subject to limited tax liability in Poland in respect of interest or a discount on notes:

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- (i) having a maturity of at least one year;
  - (ii) admitted to trading on a regulated market or introduced into an alternative trading system within the meaning of the Act of 29 July 2005 on Trading in Financial Instruments, in the territory of Poland or in the territory of a state that is a party to a double tax convention concluded with Poland which regulates the taxation of income from dividends, interest and royalties;
- unless the taxpayer is an Affiliated

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Entity of the issuer of such notes, and holds, directly or indirectly, together with other Affiliated Entities, more than 10% of the nominal value of those notes (the **Special Exemption**).

Under Art. 26.1aa and 1ae of the CIT Act, remitters are not obliged to withhold tax on interest or discount in respect of the notes eligible for Special Exemption, provided that the issuer submits to the tax authority a declaration that it has acted with due diligence in informing Affiliated Entities (excluding entities whose Affiliations result solely from connections with the State Treasury (*Skarb Państwa*) or local government units or their associations), about the exemption conditions applying to those Affiliated Entities (the **Remittance Exemption**).

According to Art. 26.1af of the CIT Act, the declaration referred to above is submitted once in relation to a given notes issue, no later than the date of payment of interest or discount on these securities. At the payer's request, the issuer is obliged to confirm its submission (Art. 26.1ag of the CIT Act).

The declaration is submitted in electronic form corresponding to the logical structure available in the Public Information Bulletin on the website of the office serving the minister responsible for public finances (Art. 26.7j of the CIT Act).

### **Personal income tax**

Analogous provisions apply to personal income tax (Art. 21.1.130c and Art. 41.24-27 of the PIT Act), with certain differences.

From 1 January 2024, besides interest (discount) and income from disposal of securities for remuneration, a new category of income has been introduced: income from the issuer's redemption of notes on which periodic benefits are due (Art. 17.1.3a) of the PIT Act). However, the scope of the exemption for non-residents, referred to above (Art. 21.1.130c of the PIT Act, which is analogous to the exemption under Art. 17.1.50c of the CIT Act) has not been amended. Therefore, it is reasonable to assume that the exemption under Art. 21.1.130c of the PIT Act does not cover income from the issuer's redemption of notes on which periodic benefits are due. This income is calculated as the difference between the amount obtained from the redemption of notes together with the benefits obtained for the last period before the redemption of these notes and the expenses incurred for acquiring or purchasing these

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notes on the primary or secondary market by the taxpayer or the testator (excluding expenses on acquisition of benefits that are not taxable) (Art. 24.24 of the PIT Act).

Also, the Remittance Exemption under PIT regulations is limited from 1 January 2024, because the tax remitters being entities operating securities accounts and Omnibus Accounts are obliged to withhold tax with respect to income (revenue) obtained by Polish tax resident natural persons (Art. 41.24 in fine of the PIT Act). These remitters include entities being Polish tax residents as well as non-Polish tax residents conducting business activities through a foreign establishment located in the territory of the Republic of Poland, if the account on which the securities are recorded is related to the activities of this establishment (Art. 41.4d and 41.10 of the PIT Act).

It must be noted that under Art. 30a.2a of the PIT Act, with respect to income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 19 per cent. flat rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder.

Therefore, if the entities operating Omnibus Accounts acting as tax remitters are not able to identify the natural person i.e. whether it is or not tax resident in Poland, they may withhold tax at full rate on income from Securities that would otherwise be eligible for the Special Exemption.

*Failure to meet the conditions for the Special Exemption*

In the absence of the Special Exemption referred to above, the following rules apply.

In the case of taxpayers subject to limited tax liability in Poland, the interest (discount) on the Securities earned in the Polish territory is taxed as a general rule at a flat rate of 20 per cent. in the case of corporate income taxpayers (Art. 21.1.1 of the CIT Act) or 19 per cent. in the case of natural persons (Art. 30a.1.2 and 2a of the PIT Act). Under Art. 26.1 of the CIT Act, interest payers, other than individuals not acting within the scope of their business activity, should withhold this tax. When verifying the conditions for the application of a withholding tax rate, exemption or the conditions for the non-collection of tax resulting from special

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provisions or double tax treaties, the remitter must exercise due diligence. When assessing the exercise of due diligence, the nature and scale of activity conducted by the remitter as well as its Affiliation with the taxpayer must be taken into account. Similar provisions are provided in Art. 41.4-4aa of the PIT Act.

Please note that according to the Art. 26.7 of the CIT Act, the payment referred to in Art. 26.1 of the CIT Act shall mean the discharge of a liability in any form, including by payment, deduction or capitalization of interest.

Under Art. 26.2c.1 and Art. 26.2a of the CIT Act, the entities operating securities accounts and Omnibus Accounts for taxpayers, acting as tax remitters, should withhold this interest income if such interest income (revenue) was earned in Poland and is connected with securities registered in said accounts, and the interest payment to the taxpayer is made through said entities. Although it is considered that foreign entities do not act as Polish tax remitters, according to the discussed provision, this obligation applies to non - residents to the extent they operate a permanent establishment in Poland and the account, on which securities are registered, is linked to the activity of this permanent establishment. Similar provisions concerning interest payments to individuals are provided in Art. 41.4d and 41.10 of the PIT Act.

The described rules of taxation may be modified by the relevant provisions of double tax treaties concluded by Poland, based on which a reduced tax rate or income tax exemption may apply to income (revenue) obtained from interest/discount (Art. 21.2 of the CIT Act, Art. 30a.2 of the PIT Act). To benefit from the tax rate or income tax exemption under the tax treaty, the taxpayer should present a valid certificate of its tax residence. As a rule, the tax residence certificate is considered valid for twelve consecutive months from its date of issue.

Moreover, tax treaties provide protection only for beneficial owners. Pursuant to Art. 4a.29 of the CIT Act and, respectively, Art. 5a.33d of the PIT Act, beneficial owner means an entity meeting all of the following conditions:

- (i) it receives the amount due for its own benefit, which includes deciding independently about its purpose, and bears the economic risk associated with the loss of that receivable or part of it;
- (ii) it is not an intermediary, representative, trustee, or another entity obliged to transfer the

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- receivable in whole or in part to another entity; and
- (iii) it conducts actual business activity in the country of its registration (country of domiciliation in case of the PIT Act), if the receivables are obtained in connection with the conducted business activity, whereas when assessing whether the entity conducts actual business activity, the nature and scale of such activity in the scope of received receivables are taken into account.

Although the definition of the beneficial owner does not refer to and Art. 24a. 18 of the CIT Act and Art. 30f. 20 of the PIT Act those are the only places in the income tax legislation where actual business activity is defined. Therefore, it cannot be ruled out that factors listed there will be taken into account by the tax authorities in determining beneficial ownership status. Those factors include:

- (i) the business activity carried out by the taxpayer is performed through an existing enterprise that actually performs activities constituting an economic activity; in particular, it possesses premises, qualified personnel and equipment used for performing business activity;
- (ii) the taxpayer does not create artificial arrangement without a connection with any business activity;
- (iii) the taxpayer's actual premises, its personnel or equipment correspond to the scope of its actual business activity;
- (iv) the agreements concluded by the taxpayer are realistic in economic terms, they have economic justification and they are not noticeably contrary to the general business interest of the taxpayer; and
- (v) the taxpayer carries out its business functions independently, using its own resources, including managers who are present in the country of taxpayer's tax residency.

The majority of double tax treaties concluded by Poland provide for an exemption from income tax on capital gains, including income from the sale of Securities obtained in Poland by a tax resident of a given country. The interest treatment differs under particular double tax treaties, some of them providing for general exemption, limiting the exemption

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to certain categories of recipients or providing for a reduced rate of tax (which may also vary depending on the recipient).

According to Art. 26.1m of the CIT Act, where the entities referred to in Art. 26.1 of the CIT Act pay receivables from the sources listed in Art. 7b.1 (3) to (6) of the CIT Act (including revenues from securities) for the benefit of an entity having its registered office or management in a territory or state listed in regulations issued pursuant to Art. 11j.2 (i.e. so called list of states and territories that apply harmful tax competition), they are obliged to collect lump-sum income tax in the amount of 19 per cent. of the amount of the payment made. The provision of paragraph Art. 26.1 of the CIT Act should apply accordingly.

Separate, specific rules apply to interest income on securities held in Omnibus Accounts. In cases where Polish withholding tax should not apply on interest payable to non-Polish tax residents (natural persons or corporate income taxpayers), under specific rules applicable to interest income on securities held in Omnibus Accounts there is a risk that such tax would be withheld. Under Art. 26.2a of the CIT Act, with respect to income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 20 per cent. flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. Under Art. 30a.2a of the PIT Act, with respect to income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 19% flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. These rules should also apply to the non-Polish tax residents to the extent that they conduct economic activity through a foreign establishment located within the territory of the Republic of Poland if the account on which given securities are recorded is connected with the activity of that establishment. Consequently, foreign entities that do not operate through a Polish permanent establishment, e.g. foreign investment firms, should not be obliged to withhold the tax. If such tax is withheld for

non-Polish tax resident taxpayers, to receive a refund of such tax, the entity should contact its tax advisor regarding a refund of such tax.

If a foreign recipient of income acts through a permanent establishment in Poland, as a matter of principle it should be treated in the same manner as a Polish tax resident, with some necessary additional requirements (e.g. the requirement to present the interest payer with a certificate of tax residence along with a declaration that the interest is related to the establishment's activities).

#### *Pay & Refund regime*

In addition to the rules set out above, in the event of failure to meet the conditions for a special exemption, the following regime applies.

#### **Corporate income tax**

Under Art. 26.2e of the CIT Act, if the total amount paid out between Affiliated Entities on account of the items listed in Art. 21.1.1 of the CIT Act (including interest on Securities) and Art. 22.1 of the CIT Act to the same taxpayer exceeds PLN 2,000,000 in the tax year of the payer, payers are, as a general rule, required to withhold, on the day of payment, a flat-rate income tax at the basic rate (20 per cent. in the case of interest/discount on Securities) from the excess over that amount, without being able not to withhold that tax on the basis of an appropriate double tax treaty, and also without taking into account exemptions or rates resulting from special regulations or double tax treaties (hereinafter the Pay & Refund).

Under Art. 26.2i and 26.2j of the CIT Act, if the payer's tax year is longer or shorter than 12 months, the amount to which the Pay & Refund applies is calculated by multiplying 1/12 of PLN 2,000,000 and the number of months that have begun in the tax year in which the payment was made; if the calculation of that amount is not possible by reference to the payer's tax year, the Pay & Refund shall apply accordingly to the payer's current financial year and, in its absence, with respect to the payer's other period with features specific to the financial year, not longer however than 23 consecutive months.

Under Article 26(2b) of the CIT Act, the entity operating the Omnibus Account is the tax remitter. This rule should also apply to the entities indicated in Art. 3.2 of the CIT Act (i.e. non-residents) to the extent that they conduct economic activity through a foreign establishment located within the territory of the Republic of Poland if the account on which

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given securities are recorded is connected with the activity of that establishment. Consequently, foreign entities that do not operate through their permanent establishments in Poland, e.g. foreign investment firms, should not be obliged to withhold the tax.

Based on Art. 26.2ca of the CIT Act, the entities making payments through securities accounts or Omnibus Accounts are obliged to provide the entities maintaining these accounts, at least 7 days before the payment is made, with information about the existence of Affiliations between them and the taxpayer and about exceeding the amount of PLN 2,000,000. Entities providing this information are required to update it before making the payment in the event of a change in the circumstances covered by the information. In addition, in accordance with Art. 26.2ed of the CIT Act, in the circumstances referred to in section 2c, the excess amount and the existence of Affiliations will be determined by the entity keeping securities accounts or Omnibus Account. The entity keeping securities accounts or omnibus accounts does not take into consideration the amounts of payments on which tax was collected in accordance with Art. 26.2a of the CIT Act.

Under Art. 26.2k of the CIT Act, if the payment was made in a foreign currency, to determine whether the amount to which the Pay & Refund applies was exceeded, the amounts paid are converted into PLN at the average exchange rate published by the National Bank of Poland on the last business day preceding the payment day.

Under Art. 26.2l of the CIT Act, if it is not possible to determine the amount paid to the same taxpayer, it is presumed that it exceeded the amount from which the Pay & Refund applies.

Under Art. 26.7a of the CIT Act, the Pay & Refund does not apply if the payer has declared that:

- (i) it holds the documents required by the tax law for the application of the tax rate or tax exemption or non-taxation under special regulations or double tax treaties;
- (ii) after the verification of the conditions to apply an exemption or reduced withholding tax rate resulting from special regulations or double tax treaties, it is not aware of any grounds for the assumption that there are circumstances that exclude the possibility of applying the tax rate or

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tax exemption or nontaxation under special regulations or double tax treaties, in particular it is not aware of the existence of circumstances preventing the fulfilment of certain conditions referred to in other regulations, including the fact that the interest recipient is their beneficial owner and, if the interest is obtained in connection with the business activity conducted by the taxpayer, that in the country of tax residence the taxpayer carries on the actual business activity.

The above is to be declared by the head of the unit within the meaning of the Accounting Act or a designated member of such head being a collegiate body (e.g. the Issuer's management board). The declaration cannot be made by proxy. The declaration is to be made by in electronic form not later than on the last day of the second month following the month in which the threshold specified above was exceeded, however, the performance of this obligation after the payment is made does not release the payer from the obligation to exercise due diligence before the payment is made (Art. 26.7b and 26.7c of the CIT Act).

In the case of withholding tax being a result of the Pay & Refund, if double tax treaties or special regulations provide for a tax exemption or reduced tax rate, the taxpayer or tax remitter (if the taxpayer has paid tax with its own funds and has borne the economic burden of such tax, eg as a result of a gross-up clause) may apply for a refund of that tax by submitting the relevant documents and declarations. When recognizing that the refund is justified, the tax authorities shall carry it out within six months.

The Pay & Refund does not apply in the case of the Securities meeting conditions for the Remittance Exemption above.

Pursuant to the Regulation of the Minister of Finance dated 28 December 2022 (as amended) regarding the exclusion of the obligation to collect flat-rate corporate income tax (the Regulation), in respect of securities held on securities accounts or Omnibus Accounts, until 31 December 2025 the application of the Pay & Refund regime is excluded to interest payable to taxpayers having their registered office or management outside the territory of the Republic of Poland.

#### Personal Income Tax

Analogous provisions apply to personal income tax, including Art. 41.12 of the PIT Act which provides for an analogous Pay &

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Refund regime, while the Regulation of the Minister of Finance of 28 December 2022 (as amended) regarding the exclusion of the obligation to collect flat-rate personal income tax is the equivalent of the Regulation. It should be noted, however, that the scope of the Remittance Exemption under PIT is different than under CIT.

### **Tax on civil law transaction considerations**

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Under Art. 1.1.1.a of the Tax on Civil Law Transactions Act dated 9 September 2000 (the **TCLT Act**), agreements for the sale or exchange of assets or property rights are subject to TCLT. The Securities should be recognized as property rights for TCLT purposes.

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Civil law transactions are taxable if their subjects are:

- assets located in Poland or property rights exercisable in Poland;
- assets located abroad or property rights exercisable abroad if the acquirer's place of residence or registered office is located in Poland and the civil law transaction was carried out in Poland.

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Although this is not clearly addressed in the law, in principle the securities should not be considered as rights exercisable in Poland, consequently tax on civil law transactions (TCLT) would apply only if the acquirer was Polish and the transaction was concluded in Poland.

TCLT on the sale of the Securities is 1 per cent. and is payable by the purchaser within 14 days after the sale agreement is entered into. If the exchange agreement is concluded, the tax is payable jointly and severally by both parties to the agreement. If such agreement has been entered into in notarial form, the tax due should be withheld and remitted by the notary public. The tax base is the market value of Securities. The market value is determined on the basis of the average prices used in the trade in property rights of the same type, from the day of performing this action, without deduction of debts and weights.

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Under Art. 9.9 of the TCLT Act, a tax exemption applies to the sale of property rights being financial instruments (such as the Securities):

- to investment firms or foreign investment firms;
- with the intermediation of investment firms or foreign investment firms;

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- through organized trading;
- outside organized trading by investment firms or foreign investment firms if the property rights were acquired by those firms through organized trading,; or
- to state-owned banks conducting brokerage activities,
- made through state-owned banks conducting brokerage activities, or
- made outside organized trading by state-owned banks conducting brokerage activities, if these rights were acquired by these banks as part of organized trading,

within the meaning of the provisions of the Act on Trading in Financial Instruments.

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Moreover, in accordance with Art. 1a.5 and 1a.7 in connection with Art. 2.4 of the TCLT Act, the TCLT exemption applies to sale or exchange agreements concerning Securities:

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- to the extent that they are taxed with VAT in Poland or in another EU Member State or EEA; or
- when at least one of the parties to the transaction is exempt from VAT in Poland or in another EU Member State or EEA on account of that particular transaction.

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As mentioned, although this is not clearly addressed in the law, in principle the securities should not be considered as rights exercisable in Poland, consequently, the tax would apply only if the acquirer purchaser was Polish and the transaction was concluded in Poland. Subject to this, neither the issue of the Securities nor their redemption or sale should be subject to TCLT.

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#### **Remitter's liability**

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Under Art. 30 of the Tax Code dated 29 August 1997, as amended, a tax remitter failing to fulfil its duty to calculate, withhold or pay tax to a relevant tax authority is liable for the tax that has not been withheld or that has been withheld but not paid, up to the value of all its assets. The tax remitter is not liable if the specific provisions provide otherwise or if tax has not been withheld due to the taxpayer's fault. In such a case, the relevant tax authority will issue a decision concerning the taxpayer's liability. According to Art. 30.5c of the Tax Code, the issuer is liable for the tax that has not been withheld if the statement made for the purposes of the Special Exemption is factually incorrect. This applies both in cases when the issuer acts as the tax remitter with respect to interest on Security or not, especially it is withheld by the entity which

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holds securities accounts or Omnibus Accounts.

### **Inheritance and donation tax considerations**

Inheritance and donation tax applies to the acquisition by natural persons of property located in or property rights exercised in Poland, by way of:

- (1) inheritance, ordinary legacy, further legacy, legacy *per vindicationem*, testamentary order;
- (2) donations, donor's order;
- (3) prescription;
- (4) free abolition of joint ownership reserved portion, if the entitled person has not obtained it in the form of a donation made by the testator or by way of inheritance or in the form of a record;
- (5) gratuitous: pension, usufruct and easement (Art. 1.1 of the Act on Inheritance and Donation Tax dated 28 July 1983).

Acquisition of property located abroad or property rights exercised abroad (such as Securities) is subject to inheritance and donation tax if at the time of opening the inheritance or concluding the donation agreement, the purchaser was a Polish citizen or had a place of permanent residence in Poland (Art. 2 of the Act on Inheritance and Donation Tax).

The tax obligation rests with the purchaser of property or property rights (Art. 5 of the Act on Inheritance and Donation Tax). The tax base is generally the value of the acquired property and property rights after deduction of debts and encumbrances (net value), determined at the acquisition date according to market prices on the day the tax obligation arose (Art. 7.1 of the Act on Inheritance and Donation Tax).

The tax amount depends on the degree of kinship between the testator/donor and the heir/beneficiary. The tax is levied progressively from 3 per cent. to 20 per cent. of the tax base, depending on the tax group in which the recipient qualifies. There is a tax-free amount defined for each of these groups.

Unless the tax is collected by the tax remitter, taxpayers are obliged to submit with the competent tax authority, within one month from the date when the tax obligation arose, a tax return on the acquisition of property or property rights on the relevant form (Article 17a of the Act on Inheritance and Donation

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Tax). The tax is payable within 14 days from a date when a decision of the relevant head of the tax office assessing the amount of due tax is delivered to the taxpayer.

Securities acquired by the closest relatives (a spouse, descendants, ascendants, stepchildren, siblings, stepfather and stepmother) are tax-exempt subject to filing an appropriate information with the head of the relevant tax office in due time (Article 4a of the Act on Inheritance and Donation Tax). The exemption applies if, at the time of acquisition, the acquirer had Polish citizenship or citizenship of one of the Member States of the European Union or Member States of the European Free Trade Association (EFTA) - parties to the Agreement on the European Economic Area or had a place of residence in Poland or the territory of such a state (Article 4.4 of the Act on Inheritance and Donation Tax).

## **XIX. Hungarian Taxation**

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*The following is a general discussion of certain Hungarian tax consequences relating to the acquisition and ownership of Securities. It does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Securities, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. It is based on laws currently in force in Hungary and applicable on the date of this Offering Circular, but subject to change, possibly with retrospective effect. The acquisition of the Securities by non-Hungarian Securityholders, or the payment of interest under the Securities may trigger additional tax payments in the country of residence of the Securityholder, which is not covered by this summary, but where the provisions of the treaties on the avoidance of double taxation should be taken into consideration. Prospective purchasers of Securities are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Securities, including the effect of any state or local taxes, under the tax laws of Hungary and each country of which they are residents.*

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### ***Withholding tax (non-Hungarian resident individual Securityholders)***

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The payments of interest on and capital gains realised upon the redemption or sale of publicly offered and traded Securities (“**Interest Income**”) are subject to 15% personal income tax. Securities listed on a

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regulated market recognised in the EU are considered publicly offered and traded Securities.

The proceeds paid on privately placed Securities are considered as other income ("**Other Income**") which is taxable as part of the individual's aggregated income (the tax payable is 15%). The capital gains realised on the sale of such Securities is considered, as a general rule, capital gains income ("**Capital Gains Income**"). The tax rate applicable to Capital Gains Income is 15%.

Non-Hungarian resident individual Securityholders are subject to tax in Hungary if they realise Interest Income from Hungarian sources or income that is otherwise taxable in Hungary if the international treaty or reciprocity so requires. Interest Income should be treated as having a Hungarian source where: (i) the Issuer is resident in Hungary for tax purposes; (ii) the Issuer has a permanent establishment, branch office or representative office in Hungary and Interest Income is paid by such permanent establishment, branch office or representative office; or (iii) the non-Hungarian resident individual Securityholder has a permanent establishment in Hungary to which the Interest Income is attributable.

The tax on payments of the Interest Income is to be withheld by the "Payor" (*kifizető*). Pursuant to Act CL of 2017 on the Rules of Taxation, a "Payor" means a Hungarian resident legal person, organization, or private entrepreneur who provides taxable income, irrespective of whether such payment is made directly or through an intermediary (post office, credit institution). In respect of interest, "Payor" shall mean a person who pays interest income to an individual, the borrower of a loan or, the issuer of a note.

In respect of revenues originating from a transaction concluded with the involvement of a licensed stockbroker, "Payor" shall mean such stockbroker. The Hungarian permanent establishment of a non-Hungarian resident entity is also considered as a "Payor".

The provisions of any applicable double tax treaty may exempt the non-Hungarian resident individual Securityholder from withholding tax or may reduce its rate. Securityholders claiming an exemption from withholding tax or the application of a reduced withholding tax rate are required to furnish the Payor with a certificate of their tax residence and in certain cases a declaration of beneficial ownership. Tax withheld by the Payor in excess of the rate allowed by the applicable

double tax treaty can be reimbursed by the Hungarian tax authority at the request of the Securityholder.

Furthermore, taxable payments received with respect to publicly offered and traded debt securities acquired in Hungary (including interest and gains realised upon the redemption or sale of the debt security) are subject to social contribution tax (at 13%) from 1 July 2023 pursuant to Government Decree 205/2023. (V.31), the relevant provisions of which were subsequently adopted by Act LII of 2018 on Social Contribution Tax as of 1 August 2024. Securityholders who qualify as “foreigner” pursuant to Act CXXII of 2019 on Entitlements to Social Security Benefits and on Funding of Such Services and those who are secured for social security purposes in an EU member state or by an EU institution pursuant to Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems are not subject to social contribution tax in respect of the above-mentioned payments. A non-Hungarian tax resident individual for personal income tax purposes does not necessarily qualify as a “foreigner” for social contribution tax purposes.

***Withholding tax (non-Hungarian resident corporate Securityholders)***

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Interest on Securities paid to non-Hungarian resident corporate Securityholders, who do not have a permanent establishment in Hungary, by Hungarian legal entities or other persons and any capital gains realised by such non-Hungarian resident Securityholders on the sale of the Securities, are not subject to tax in Hungary. The tax liability of a non-Hungarian resident corporate Securityholder, which has a permanent establishment in Hungary, is limited, in general, to the income from business activities realised through its Hungarian permanent establishment.

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***Taxation of Hungarian resident individual Securityholders***

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Act CXVII of 1995 on Personal Income Tax (“**Personal Income Tax Act**”) applies to the tax liability of Hungarian and non-Hungarian private individuals. The tax liability of Hungarian resident private individuals covers the worldwide income of such persons.

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According to the provisions of the Personal Income Tax Act, in the case of individual Securityholders, Interest Income is the income paid as interest and the capital gains

realised upon the redemption or the sale of publicly offered and publicly traded debt securities.

The withholding tax on Interest Income is 15%. Securities listed on a regulated market recognised in the EU are considered publicly offered and traded Securities.

In addition, from 1 July 2023, social contribution tax (at 13%) is payable on Interest Income realized on publicly offered and/or traded Securities, pursuant to Government Decree 205/2023. (V.31) the relevant provisions of which were subsequently adopted by Act LII of 2018 on Social Contribution Tax as of 1 August 2024, provided that the private individual (i) is resident in Hungary for the purpose of Act CXXII of 2019 on Entitlements to Social Security Benefits and on Funding of Such Services and (ii) is not secured for social security purposes in an EU member state or by an EU institution pursuant to Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems. Preferential tax rates or tax exemptions are available for long-term investments, subject to specific conditions laid down by applicable laws. The rules of the Personal Income Tax Act in general impose a requirement upon the "Payor" (*kifizető*) (as defined above) to withhold tax on Interest Income.

#### ***Taxation of Hungarian resident corporate Securityholders***

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Under Act LXXXI of 1996 on Corporate Tax and Dividend Tax ("**Corporation Tax Act**"), Hungarian resident taxpayers have a full, all-inclusive tax liability. In general, Hungarian entities are those established under the laws of Hungary (i.e. having a Hungarian registered seat). Non-Hungarian corporations having their place of management in Hungary are also considered as Hungarian resident taxpayers.

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In general, interest and capital gains realised by Hungarian resident corporate Securityholders on the Securities will be taxable in the same way as Securityholders' regular income. The corporate tax rate in Hungary is a flat rate of 9%.

#### ***Transfer Tax***

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The receipt of the Securities is subject to Hungarian transfer tax when the Securities are transferred gratuitously (by way of gift or otherwise for no consideration) and delivered

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in Hungary. The general rate of transfer tax is 18%

Inheritance of the Securities is subject to inheritance tax in Hungary in the case of estates located in Hungary. The general inheritance tax rate is 18%.

## **XX. Romanian Taxation**

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*This section on taxation contains a brief description of the Issuers' understanding with regard to certain important principles which may be of significance in connection with the purchase, holding or sale of the Securities in Romania. This general description does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. These comments are not intended to be, nor should they be construed to be, legal or tax advice. This description furthermore only refers to investors which are subject to unlimited (corporate) income tax liability in Romania and it is based on the tax legislation in force as at 30.06.2025. There are discussions at the level of the Romanian Government regarding potential changes to the taxation system in the near future; however, as of the date of drafting this section, only limited information are available about such changes.*

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*It is recommended that potential purchasers of the Securities consult with their legal and tax advisers as to the tax consequences of the purchase, holding or sale of the Securities. Tax risks resulting from the Securities shall in any case be borne by the purchaser. For the purposes of the following it is assumed that the Securities are legally and factually offered to an indefinite number of persons. The Issuer assumes no responsibility with respect to taxes withheld at source.*

*The summary below assumes that the Issuer of the Securities is not a tax resident of Romania and that the Securities are not issued through a Romanian branch or permanent establishment of the Issuer.*

### **General remarks on tax residency in Romania**

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Any legal entity incorporated in Romania, any non-Romanian legal entity with its place of

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effective management in Romania, any legal entity with its registered office in Romania established under European legislation, or any Romanian tax resident individual is considered Romanian tax resident.

A Romanian tax resident individual is defined as any individual who meets at least one of the following conditions: (i) has their domicile in Romania; (ii) the center of the individual's vital interests is located in Romania; (iii) is present in Romania for one or more periods exceeding a total of 183 days during any consecutive 12-month period ending in the relevant calendar year; or (iv) is a Romanian citizen working abroad as a civil servant or employee of the Romanian state in a non-Romanian country.

A Romanian tax resident has full tax liability in Romania, being subject to taxation in Romania on their worldwide income derived from any source, both from Romania and abroad (unlimited tax liability).

Non-Romanian resident individuals or legal entities are subject to personal income tax, respectively corporate income tax, only on income from certain Romanian sources (limited tax liability).

Both in case of unlimited and limited tax liability, Romania's right to tax may be restricted by double taxation treaties.

***Romanian withholding tax on interest payments***

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Romanian interest withholding tax applies to certain payments if they originated from a Romanian source. On the basis that the Issuer is not a tax resident of Romania and does not have a permanent establishment in Romania, the payments made by the Issuer in respect of interest, premiums, principal, and capital gains related to the Securities will not be considered as having a Romanian source.

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***Taxation of Romanian tax resident individual investors***

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Romanian tax legislation defines the investment incomes as follows:

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- (i) income from dividends;
- (ii) income from interest (including interest earned from bonds, interest earned from current accounts, escrow accounts, demand deposits, collateral accounts, and term deposits, including

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certificates of deposit, amounts received as interest on loans granted, interest earned from alternative investment instruments such as structured products where a derivative instrument is linked to a deposit - structured deposits, other income earned from holding debt securities);

- (iii) gains from the transfer of securities (i.e., equity interest and any financial instruments qualified as such under the legislation of the state in which they were issued) and any other transactions with financial instruments, including derivative financial instruments (derivative financial instruments traded over-the-counter (OTC) includes, without being limited to: non-deliverable forward contracts on foreign exchange, foreign exchange swaps, interest rate swaps, non-deliverable foreign exchange options, interest rate options, options on shares or stock indices, options on other underlying assets (e.g., commodities), binary options, forward rate agreements, equity swaps or any combinations thereof);
- (iv) gains from transfer of investment gold;
- (v) income from liquidation of a legal entity.

A Romanian tax resident individual will be subject to personal income tax on the income or gains resulting from the holding, redemption, sale or any other transaction with the Securities. Irrespective of the nature of the income (interest, premiums, gains derived from transfer of the Securities), the rate of taxation is 10%. However, the tax rate on dividend income will be increased to 16% starting 1 January 2026.

In case the transactions with Securities are carried out through intermediaries, as defined by the relevant legislation, investment management companies, self-managed investment companies and alternative investment fund managers, whether Romanian tax residents or non-residents with a permanent establishment in Romania acting as an intermediary (hereinafter referred to as "Romanian intermediaries"), the tax rates are 1% and 3% respectively, depending on the period of acquisition and alienation:

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- (a) in the case of Securities:
- (i) by applying a rate of 1% on each gain from the transfer of Securities that were acquired and disposed of in a period longer than 365 days, inclusive, from the date of acquisition;
  - (ii) by applying a rate of 3% on each gain from the transfer of Securities that were acquired and disposed of in a period less than 365 days from the date of acquisition;
- (b) in the case of operations with derivative financial instruments:
- (i) by applying a rate of 1% on each gain from carrying out operations with derivative financial instruments held for a period greater than 365 days, inclusive, from the date of acquisition;
  - (ii) by applying a rate of 3% on each gain from carrying out operations with derivative financial instruments held for a period less than 365 days from the date of acquisition.

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For computation of personal income tax, the gains/losses from transfer of Securities are determined as the positive/negative difference between selling/redemption price of Securities and their fiscal value (i.e., acquisition price) which includes the costs related to the transactions (sustained by proper documentation).

The losses incurred from transactions with Securities are carried forward chronologically, depending on the age of the loss, in the next 5 consecutive years within the limit of 70% of the annual net gains from the same income. The annual net losses coming from abroad are carried forward in the next 5 consecutive fiscal years and compensated by the taxpayer within the limit of 70% of the annual net gains of the same nature and source, obtained from abroad, in each country. Note that the losses incurred from transactions with Securities that are carried out through Romanian intermediaries cannot be carried forward.

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Relief for withholding tax paid in another country than Romania in relation with

Securities may be available, if Romania has a double tax treaty in place with the country where the tax was withheld. The relief is granted either under the form of deduction from and within the limit of the personal income tax due in Romania on the same income or under the form of exemption of the respective income, depending on the provisions of the relevant double taxation treaty.

The obligation to declare and pay tax in relation to any income and/or gains obtained from abroad by a Romanian tax resident individual stays with that individual. An exception is in the case of transactions with Securities carried out through Romanian intermediaries, when the income tax is declared, withheld at source and paid by the Romanian intermediary.

The Romanian tax resident individual has the obligation to declare and pay contribution to the state health insurance fund, if the income and gains obtained by this individual from Securities together with other income obtained by the individual (other than salaries and income from independent activities) exceed a fixed threshold of 6 gross monthly minimum salaries (i.e., the gross monthly salary in force at the date of submitting the relevant tax declaration) without exceeding however 24 gross monthly minimum salaries. In such case the value of the contribution due to the state health insurance fund is computed on the fixed threshold base multiplied with the contribution rate of 10%.

More specifically, for 2025, the minimum income threshold triggering the obligation to pay the social health insurance contribution is as follows: (i) RON 24,300, for individuals obtaining income between 6 and 12 times the gross monthly minimum salary. In this case, the minimum health insurance contribution is RON 2,430; (ii) RON 48,600, for individuals obtaining an income between 12 and 24 times the gross monthly minimum salary. In this case, the minimum contribution for social health insurance is RON 4,860; (iii) RON 97,200, for individuals obtaining an income higher than 24 times the gross monthly minimum salary. In this case, the minimum contribution for social health insurance is RON 9,720.

***Taxation of legal entity investors with tax residence in Romania***

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Legal entities tax resident in Romania will be subject to corporate income tax on any income resulting from the holding, redemption, sale or any other transaction with the Securities. The applicable corporate income tax rate is 16%.

The taxable base for corporate income tax purpose is computed as the difference between revenues and expenses registered by entities as per the accounting rules, adjusted with tax items. Therefore, the corporate income tax implication deriving from holding, redemption, sale or any other transaction with the Securities is dependent also on the accounting treatment applied to such Securities, especially as regards the recognition of the related revenues and expenses.

The Romanian fiscal legislation, states that the losses incurred by a company from selling receivables are deductible within certain limits (i.e., 70% in case of credit institutions and 30% for other companies). However, these provisions do not apply in the case of assignments of government securities, bonds, and other debt instruments that grant the holder a contractual right to receive cash – in such cases the expenses recorded from such assignments are deductible when calculating the taxable basis for corporate income tax purposes.

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If Romanian legal entities qualify as microenterprise taxpayers (such as entities with an income lower than the RON equivalent of EUR 250,000, but additional conditions apply), depending on the type of activity they are registered for and on the EUR 60,000 threshold of the annual income, the income resulting from the holding, redemption, sale or any other transaction with the Securities shall be taxed at 1%, or at 3%.

Relief for tax paid in a non-Romanian country in connection with the Securities may be available if Romania has a double tax treaty in place with the country where the tax was paid. Such relief is granted in the form of a tax credit, which may be deducted from the Romanian corporate income tax due in Romania on the respective income or gain, but not exceeding the tax paid in the non-Romanian country. The tax credit is subject to the availability of supporting documentation proving the tax paid in the non-Romanian country.

***Taxation of legal entity investors that are not tax residents in Romania***

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Legal entities that are not tax residents of Romania will be subject to corporate income tax in Romania on income derived from holding, redeeming, selling, or otherwise transacting with the Securities only if they have a permanent establishment in Romania and the transactions with the Securities are attributable to that permanent establishment.

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***Taxation of Romanian tax transparent entities investors***

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Romanian tax-transparent entities (such as associations, joint ventures, associations based on joint operation agreements, economic interest groups, civil partnerships, or any other entity that is not a separate taxable person) obtaining income or gains from holding, redeeming, selling, or otherwise transacting with the Securities will not themselves be subject to taxation. However, each associate/participant in such Romanian tax-transparent entities will be subject to taxation in Romania, provided they are Romanian tax resident individuals, Romanian tax resident legal entities, or non-Romanian legal entity investors that have a permanent establishment in Romania.

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***Other tax duty in Romania***

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In general, buy and sell transactions regarding the Securities are outside VAT scope.

Also, the purchase, holding or sale of the Securities by a Romanian resident investor does not trigger any stamp duty, or any registration obligation, transfer tax, gift tax or other similar taxes.

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***XXI. Slovak Republic Taxation***

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*The information set out below is a summarised description of certain material Slovak tax consequences of the purchase, holding and disposition of Securities and it does not purport to be a complete analysis of all Slovak tax considerations relating to the Securities that may be relevant to a decision to purchase the Securities. This summary does not take into account or discuss the tax laws of any country other than the Slovak Republic nor does it take into account specific double taxation treaties nor the individual circumstances, financial situation or investment objectives of any investor in the Securities. This summary is based on the tax*

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*laws of the Slovak Republic as in effect on the date of this Base Prospectus and their prevailing interpretations available on or before such date. All of the foregoing is subject to change, which could apply retroactively and could affect the continued validity of this summary. As this is a general summary, holders of the Securities should consult their own tax advisors as to the consequences under the tax laws of the country in which they are resident for tax purposes and the tax laws of the Slovak Republic concerning the purchase, holding and disposition of the Securities and receiving payments of interest, principal and/or other payments under the Securities, including, in particular, the application to their own situation of the tax considerations discussed below as well as the application of state, local, foreign or other tax laws.*

**Private investor with tax residence in the Slovak Republic**

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According to the Slovak tax laws, income from the sale of Securities (e.g. shares, stocks, bonds, notes) held in private portfolio is classified as other taxable income. The tax base is the taxable income from the sale of Securities reduced by the expenses provably incurred to achieve it. Expenses which can be applied to the taxable income from the sale of Securities are e.g. purchase price provably paid for the Security, if the taxpayer acquired the Security by purchase or expenses related to the acquisition and sale of Securities (e.g. broker fees).

If the cumulative capital gain (profit) on the sale of Securities in a calendar year does not exceed EUR 500, the capital gain is exempt from personal income tax. If the capital gain exceeds EUR 500 in a calendar year, only this difference will be included in the tax base.

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Further, income from the sale of Securities listed on a recognised stock exchange or on a similar foreign regulated market, is exempt from income tax if held for more than one year and if the period between their admission to a regulated market (similar foreign regulated market) and their sale exceeds one year. This tax exemption is not applicable if the Securities are held in the business portfolio of the investor.

A cumulative capital gain on the sale of Securities is subject to standard income tax at the progressive tax rate of 19%, or 25% respectively (the rate is determined based on

the amount of total taxable annual income, not just based on the income from the sale of securities). The threshold for the 25% rate is 176.8 times the applicable subsistence minimum. For 2025, the threshold is EUR 48,441.43.

The capital gain on the sale of Securities is also subject to 15% Slovak health insurance contributions with no cap if the investor is subject to Slovak social security system.

A cumulative loss on the sale of Securities in a calendar year is tax-non-deductible, cannot be offset with any other type of income (active or passive) and also cannot be carried forward.

The private investor must file a personal income tax return for a particular calendar year when income was credited to the investor's account and report his worldwide taxable income and pay the final tax liability as determined in the annual tax return.

Interest or any other income received by the private investor from the holding of the Securities, as well as capital gains realised on the redemption of the Securities, are subject to a flat tax rate of 19%. In case the issuer of the Securities is a tax resident or non-residential legal entity with its permanent establishment situated in the Slovak Republic, such income is subject to 19% withholding tax by the issuer of the Securities. Otherwise the private investor must declare this income in his personal income tax return.

***Corporate investor with tax residence in the Slovak Republic***

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Legal entities residing in the Slovak Republic will be subject to corporate income tax on any income resulting from the holding, redemption, sale or any other transaction with the Securities. Such financial income or gain from the disposal of the Securities shall form part of the general corporate income tax basis determined by accounting performed in compliance with Slovak accounting principles which is additionally adjusted by non-taxable income or non-deductible expense. The cumulative loss (acquisition price is higher than sale price) on the sale of Securities booked in the accounting of a corporate investor is considered as tax non-deductible expense.

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The applicable corporate income tax rates for period starting on 1 January 2025 are as follows: (i) 10% if the total taxable income

does not exceed EUR 100,000; (ii) 21% if the total taxable income exceeds EUR 100,000 but does not exceed EUR 5,000,000; and (iii) 24% if the total taxable income exceeds EUR 5,000,000.

**Non-residential private and corporate investors in the Slovak Republic**

The capital gain earned from the holding or disposal of Securities could be subject to withholding tax of 19% (35% in case of black-listed countries or in case the beneficial owner cannot be proved), unless the double tax treaty stipulates otherwise, or such gain is attributed to the permanent establishment of a non-Slovak investor situated in the Slovak Republic. The withholding tax should be triggered only in case the issuer is a tax resident or non-residential legal entity with its permanent establishment situated in the Slovak Republic.

**Other tax duty in the Slovak Republic**

The acquisition, ownership or disposal of the Securities by an investor in the Slovak Republic does not trigger any stamp duty, or any registration obligation, transfer tax, gift tax or other similar tax burden.

**XXII. Bulgarian Taxation**

*This section on taxation contains a brief description of the Issuers' understanding with regard to certain important principles which may be of significance in connection with the purchase, holding or sale of the Securities in Bulgaria. This general description does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. These comments are not intended to be, nor should they be construed to be, legal or tax advice. This description furthermore only refers to investors which are subject to unlimited personal or corporate income tax liability in Bulgaria. It is based on the currently valid tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. It is recommended that potential purchasers of the Securities consult with their legal and tax advisers as to the tax consequences of the*

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*purchase, holding or sale of the Securities. Tax risks resulting from the Securities shall in any case be borne by the purchaser. The Issuer assumes no responsibility with respect to taxes withheld at source.*

**General remarks**

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Individuals having a permanent domicile and/or their habitual abode in Bulgaria are considered as local taxable persons and subject to income tax in Bulgaria on their worldwide income (unlimited income tax liability). Individuals having neither a permanent domicile nor their habitual abode in Bulgaria are subject to income tax only on income from certain Bulgarian sources (limited income tax liability).

Corporations established under the laws of Bulgaria are considered as local taxable persons and subject to corporate income tax in Bulgaria on their worldwide income (unlimited corporate income tax liability). Corporations not established under the laws of Bulgaria are subject to corporate income tax only on income from certain Bulgarian sources (limited corporate income tax liability).

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Both in case of unlimited and limited (corporate) income tax liability, Bulgaria's right to tax may be restricted by double tax treaties. Double tax treaties may also provide for a different definition about the determination of local taxable person, e.g. based on the place of effective management.

**Individual investors with tax residence in Bulgaria**

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As per the provision of Art. 8 para 8 of the Bulgarian Income Taxes on Natural Persons Act, the income originating from stocks, shares, compensatory instruments, investment bonds and other financial assets (Securities) emitted by the State, municipalities, local legal entities, non-incorporated companies or from any forms of joint venture in Bulgaria, as well as the income originating from transactions therein, shall be income from a source in Bulgaria. This provision covers interest or dividends incomes from Securities, as well as capital gains realized in transactions with Securities, derivatives or other financial assets resulting from increased value.

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Provided the issuer of the Securities is a non-Bulgarian entity or other kind of organization, the income shall be considered as income

from non-Bulgarian source. Still, this income shall be taxable in Bulgaria as part of the worldwide income of the local taxable person (unlimited income tax liability in Bulgaria).

The taxable income originating from the sale or exchange of Securities, including virtual currencies, as well as the income originating from trade of foreign currency, is defined as the aggregate of the profit realized during the year under each specific transaction decreased by the amount of the losses realized during the year under each specific transaction is reduced by 10% costs. The costs of 10% represent a fixed allowed deduction, which is deducted before taxation with 10% flat tax rate and without the need for documentary evidence of these costs.

The realized profit/loss referred to above for each specific transaction shall be determined by way of decreasing the sale price by the acquisition price of the Security. In those cases where Securities of the same type issued by the same person have different acquisition prices, and later on a part thereof is sold, and it cannot be defined which part has been sold, the acquisition price of each of those assets shall be the average weighted price determined on the grounds of the acquisition price of those Securities of the same type and issued by the same issuer that are held as at the date of the sale. The sale price shall comprise everything acquired by the person in connection with the sale/exchange, including any remuneration in a non-pecuniary form.

Interest or discounts from Securities issues by the Bulgarian State, municipal and corporations, as well as from other similar securities, issued according to the legislation of another EU Member State or of a state which is party to the Agreement on the European Economic Area shall be tax exempt.

The individual investor must file a personal income tax return for a particular calendar year when income was credited to the investor's account and report his worldwide taxable income and pay the final tax liability as determined in the annual tax return. Acquisition of Securities is also subject to reporting in the yearly personal income tax return of the investor, even if there is no disposal of any kind with these Securities during the year.

Income which was taxed by Bulgarian withholding tax should not be included in the tax return. Withholding tax shall be applicable to dividends and interest incomes provided the payer is an entity or organization established in Bulgaria. In case the payer is not established in Bulgaria, the source of income shall be considered outside Bulgaria and the tax liability with regard to these incomes is shifted to the local investor who is taxable person of Bulgaria. In case withholding tax is applied to dividends or interest incomes from sources outside Bulgaria the local investor can apply the provisions of the respective double tax treaty to eliminate double taxation of these incomes.

Profits earned from the sale of Securities which were accepted for trading on the stock exchange in Bulgaria or in another EU country or any other stock exchange operating in compliance with Directive 2014/65/EU shall be exempt from income tax.

***Individual investor without tax residence in Bulgaria***

Income of non-Bulgarian taxable person originating from the sale or exchange or any other transfer for consideration of Securities which are with source in Bulgaria, shall be subject to withholding tax of 10%, unless the respective double tax treaty stipulates otherwise.

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Interest income derived from the Securities or other debt securities, issued by the Bulgarian State or the municipalities and accepted for trading at a regulated market in the country of in a EU Member State or in another state which is a party to the Agreement on the European Economic Area shall be tax exempt.

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***Corporate investor with tax residence in Bulgaria***

Bulgarian legal entities, non-Bulgarian legal entities carrying out business activities in Bulgaria through a permanent establishment, are tax residents of Bulgaria and shall be subject to corporate income tax on any income resulting from the holding, sale, exchange or other disposal of Securities.

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The disposal of the Securities shall form part of the general corporate income tax basis determined by the applicable accounting standards and adjusted for tax purposes by any non-taxable incomes or non-tax-

deductible expenses. The applicable corporate income tax rate is 10% on the tax profit.

In the process of determining the tax financial result, the accounting financial result shall be decreased by the profit from disposal of Securities which were accepted for trading on the stock exchange in Bulgaria or in another EU country or any another stock exchange operating in compliance with Directive 2014/65/EU. The taxable profit shall be determined as the positive difference between the sale price and the documented price of acquisition of the Securities.

The above stated exemption shall not be applicable to revenues from non-Bulgarian sources for which "exemption with progression" has been stipulated as a method for avoiding double taxation in a double tax treaty.

In the process of determining the tax financial result the accounting financial result shall be increased by the loss from disposal of Securities which were accepted for trading on the stock exchange in Bulgaria or in another EU country or any other stock exchange operating in compliance with Directive 2014/65/EU. The taxable result shall be determined as the negative difference between the sale price and the documented price of acquisition of the Securities.

The interest income from Securities shall be taxable at a flat rate of 10% as part of the yearly tax basis.

***Corporate investor without tax residence in Bulgaria***

Income of non-Bulgarian legal entities which are not considered as Bulgarian taxable persons, originating from the sale or exchange or any other transfer for consideration of Securities which are with source in Bulgaria, shall be subject to withholding tax of 10%, unless the respective double tax treaty stipulates otherwise. With source in Bulgaria shall be understood as the income generated from Securities or other financial assets (interest or dividends) issued by local legal entities, the Bulgarian State and the municipalities, as well as the income originating from transactions with Securities or other financial assets (gain from change of value). Provided that the payer of the interest and dividend income is not considered a

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taxable person in Bulgaria, the withholding tax liability is an obligation of the beneficiary of the income. Regarding the income originating from transactions with securities, the withholding tax liability is an obligation of the beneficiary of the income, regardless of the payer of the income.

No withholding tax shall be applicable on incomes from disposal of Securities which were accepted for trading on the stock exchange in Bulgaria or in another EU country or any another stock exchange operating in compliance with Directive 2014/65/EU.

### **XXIII. Croatian Taxation**

*This summary is based on the tax legislation, published case law and other regulatory acts of the respective Croatian authorities as in force at the date of composing this paper and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect. The following is a general discussion of certain Croatian tax consequences of the acquisition, ownership and disposal of the Securities. It does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase the Securities and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser.*

#### **General remarks**

The taxation of securities, with emphasis on notes and certificates, in Croatia, primarily affects income earned through capital gains and interest.

Individuals having a permanent residency or their habitual abode in Croatia are subject to personal income tax in Croatia on their worldwide income (income earned in Croatia and abroad). Individuals having neither a permanent residency nor their habitual abode in Croatia are subject to personal income tax only on income earned in Croatia.

Corporations having their registered office and/or their place of effective management in Croatia are considered as residents. Residents are also entrepreneurs - natural persons with permanent residence or habitual abode in Croatia, whose activity is inscribed in a registry or record. These entrepreneurs are subject to corporate income tax.

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Non-residents are all other persons whose residency has not been established as described above, according to domestic special law governing the residency (Croatian General Tax Act) or international agreements.

A taxable person is also a domestic permanent establishment of a non-Croatian entrepreneur (non-resident).

In case of unlimited and limited income tax liability, Croatia's right to tax may be restricted by double taxation treaties. Tax considerations are subject to the more favorable provisions of any applicable bilateral treaty for the avoidance of double taxation.

### ***Income taxation of individuals as Holders***

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### ***Taxation of income from Securities***

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According to Article 64 of the Personal Income Tax Act (OG num. 115/16 – 152/24; "**PIT Act**"), among others, income from capital in form of Securities is considered to include income based on (i) interest and (ii) capital gains.

Interest is considered to include income from claims of all kinds, in particular: (i) income from interest on securities, including notes and certificates; (ii) income from interest based on loans granted; and (iii) income earned from income distributions of investment funds in the form of interest, provided they are not taxed as profit shares from the distribution of profit or income of the investment fund.

Income from interest when derived from certificates is considered as taxable interest. However, income from interest when derived from investments in notes, regardless of the issuer and type of notes, as well as in debt securities and money market instruments issued by the Republic of Croatia and by local and regional self-government units is not considered as taxable interest.

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Tax on income from capital based on interest shall be calculated, withheld and paid by the payers of interest at the time of payment of the income, as a withholding tax, at a rate of 12%. In case when a legal entity pays or credits interest to a natural person, the legal entity (payer of interest) is the obligated party for calculating the capital income tax based on interest and for submitting the JOPPD form. The deadline for submitting the JOPPD form is the date of the interest payment.

Capital income based on capital gains is defined as the difference between the sale price achieved (or the receipt determined according to the market value) from the disposal of the financial asset and its acquisition value. Capital income based on capital gains is taxed at a rate of 12%. Income from capital gains includes income from the disposal of financial instruments and structured products (financial assets), specifically from: (i) transferable securities including notes and certificates and structured products, including equity shares in companies and other types of associations whose ownership structure and transferability are comparable to such companies; (ii) money market instruments; (iii) units in collective investment undertakings; (iv) derivatives; and (v) the proportional share of the liquidation estate in the case of the liquidation of an investment fund, as well as other income derived from ownership interests in the event of liquidation, dissolution, or withdrawal.

Disposal of financial assets includes sale, exchange, donation, and any other form of transfer. The following are not considered as disposal of financial assets: (i) the transfer of holdings between voluntary pension funds; (ii) the exchange of securities including notes and certificates for identical securities issued by the same issuer, where ownership relations among shareholders and the issuer's capital remain unchanged, as well as exchanges of securities including notes and certificates or financial instruments for other securities or instruments in cases of corporate restructuring, provided there is no cash flow and the continuity of asset acquisition is ensured; (iii) stock splits by the same issuer, where there is no change in share capital or cash flow; (iv) the exchange of units between sub-funds within the same umbrella fund, or between investment funds managed by the same management company, provided the continuity of asset acquisition is ensured; (v) the redemption of units in the Croatian Homeland War Veterans' Fund and their family members, and/or (vi) the disposal of debt securities including notes and certificates and money market instruments issued by the Republic of Croatia and local or regional self-government units.

**Capital income based on income from units in collective investment undertakings** is determined as the amount of realized returns reduced by investment management fees or asset management fees of the investment fund (net return). In the case

of discount securities including notes and certificates, it is determined as the difference between the redemption value at issuance and the realized value at maturity, provided the holder keeps the security until maturity.

**Capital income based on capital gains from investments in financial asset portfolios**, in accordance with the regulations governing the capital market, is determined at the moment of realization of portfolio returns, reduced by portfolio management fees (net return). When determining the net return, receipts from dividends or profit shares, as well as interest income on which income tax has already been paid, are excluded. Also excluded are interest receipts on bonds, except for interest on bonds earned through investments made by an investment company on behalf of a portfolio collectively for all clients (both individuals and legal entities).

A taxpayer is required to keep records of identical financial assets using the First In, First Out (FIFO) method.

A taxpayer holding financial assets is required to calculate, withhold, and pay income tax on capital gains - except for capital gains from the disposal of equity shares in a company that are not transferable on the capital market according to specific regulations - by the last day of February of the current year for the previous year. This applies to all capital gains realized in the previous year, reduced by any capital losses incurred, at a tax rate of 12%.

Exceptionally, the maintenance of records, determination of capital income, calculation of capital income tax, and reporting thereof can be carried out on behalf of and for the account of the taxpayer – the holder of financial assets – by an investment company or a credit institution that provides investment services, activities, and ancillary services as defined by the law governing capital market operations, a collective investment undertaking, a management company, a person managing the taxpayer's financial assets under a contractual relationship, a financial organization, or an institutional investor (financial intermediary).

Additionally, the taxpayer – holder of financial assets – may choose for the Central Depository & Clearing Company (SKDD) to maintain records, determine capital income, calculate capital income tax, and report to the Tax Administration on their behalf for their entire financial asset portfolio.



Capital gains that would arise from the possible disposal of financial assets after the expiration of a two-year period from the date of acquisition or purchase are exempt from taxation under the personal income tax on capital income.

If financial assets acquired through a gift are disposed of within two years from the date of acquisition by the donor, the donee is deemed to have realized capital income based on capital gains. In such cases, the date of acquisition for the donee is considered to be the date of acquisition of donor.

Capital losses can only be offset against capital gains realized in the same calendar year, and only up to the amount of the taxable base. All related costs charged to the taxpayer are included in the capital loss. The capital loss is reported up to the amount of the taxable base.

#### **Corporate income taxation of legal entities as Securityholder**

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Interest income and capital gains realized by a corporation in Croatia are treated as taxable income for the purposes of corporate income tax ("CIT") and subject to CIT. There is no special/additional capital gains tax in case of sale of shares.

Generally, according to the Croatian CIT Act, **the CIT base** is the profit determined in accordance with accounting regulations as the difference between income and expenses before the calculation of corporate income tax, increased or decreased according to the provisions of the Croatian CIT Act. Expenses related to the investment can be deducted, which may reduce the tax base.

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For a Croatian resident taxpayer, the tax base consists of the profit earned both in Croatia and abroad. For a non-Croatian-resident taxpayer, the tax base consists only of the profit earned in Croatia, and it is determined according to the provisions of the Croatian CIT Act.

Corporate income tax is paid on the determined tax base at the rate of either: (i) 10% if the revenues earned during the tax period are up to EUR 1,000,000, or (ii) 18% if the revenues earned during the tax period exceed EUR 1,000,000.

#### **Withholding tax**

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The resident payer is obliged, upon each payment to non-Croatian legal entities, to calculate, withhold, and pay the withholding tax in accordance with the provisions of the

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Croatian CIT Act and/or applicable double taxation treaties.

The payment of interest to non-Croatian legal entities is also subject to withholding tax. As an exception to the payment of withholding tax, the following types of interest are exempt: (i) interest paid on trade credits for the purchase of goods used by the taxpayer in performing their business activity, (ii) loans granted by a non-Croatian bank or other financial institution, (iii) interest paid to holders of notes - both government and corporate - who are non-Croatian legal entities, and (iv) interest paid on financial leasing of goods.

The withholding tax rate on interest is set at 15%. However, if the non-Croatian recipient of interest is a resident of a country with which the Republic of Croatia has a tax treaty in force, Croatia's taxing rights will be limited to the rate specified in the treaty (0%, 5%, or 10%). If no such treaty is in effect, the full statutory tax rate prescribed by the Corporate Income Tax Act will apply, which is 15%. In addition, there is possibility to eliminate the withholding tax in case of meeting conditions prescribed under EU Directive 2003/49/EC (minimum share of 25% of capital for the related companies).

#### **Value Added Tax**

According to Article 40 of the Croatian Value Added Tax Act (OG num. 73/13 - 52/25), *inter alia*, the following transactions are VAT exempt: transactions, including brokerage, **excluding management and safekeeping**, relating to shares, interests in companies or associations, bonds, and other securities including notes and certificates, **with the exception of documents establishing title to goods** and rights or securities that confer rights in immovable property.

In more detail, exemption of VAT is related to the receipt and transmission of orders in relation to securities including notes and certificates and other financial instruments, execution of orders on behalf of clients, dealing on own account, and services related to the offering or sale of securities including notes and certificates and other financial instruments, with or without a repurchase obligation, in accordance with specific regulations governing this area.

#### **Inheritance and gift tax**

Inheritance and gift tax is paid on cash, monetary claims, and securities including

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notes and certificates, as well as on movable property if the individual market value of the movable property exceeds EUR 6,700.00 on the date the tax liability is determined. Inheritance and gift tax is not payable if another tax is paid on the inherited or gifted cash, monetary claims, securities including notes and certificates, or movable property according to a special regulation.

The taxpayers of inheritance and gift tax are natural and legal persons who inherit, receive as a gift, or acquire without compensation property subject to inheritance and gift tax within the territory of Croatia.

The tax base for inheritance and gift tax consists of the amount of cash and the market value of monetary claims and securities including notes and certificates, as well as movable property on the date the tax liability is determined, after deducting debts and expenses related to the property subject to the tax. Inheritance and gift tax is paid at a rate of 4%.

The obligation to pay inheritance and gift tax arises at the moment the inheritance decision or ruling by a public authority or court becomes final, or at the moment the gift is received.

The following persons are exempt from paying inheritance and gift tax: (i) spouses, descendants, and ancestors in the direct line, as well as adoptees and adoptive parents in such relationships with the deceased or donor; (ii) individuals and legal entities to whom the Republic of Croatia or local and regional self-government units donate or give movable property free of charge as compensation or for other reasons related to the Homeland War; (iii) the Republic of Croatia and local and regional self-government units, state administration bodies and bodies of local and regional self-government units, public institutions, religious communities, foundations and funds, the Red Cross, and non-profit legal entities registered for providing humanitarian aid in accordance with special regulations; and (iv) individuals and legal entities receiving gifts (donations) for purposes defined by special regulations.

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