

**SUPPLEMENT N°1 DATED 8 SEPTEMBER 2020**  
**TO THE BASE PROSPECTUS DATED 30 JUNE 2020**



CRÉDIT MUTUEL ARKÉA  
€13,000,000,000  
EURO MEDIUM TERM NOTE PROGRAMME

This supplement (the "**Supplement**") is supplemental to, and should be read in conjunction with, the base prospectus dated 30 June 2020 (the "**Base Prospectus**") prepared by Crédit Mutuel Arkéa (the "**Issuer**") in relation to its €13,000,000,000 Euro Medium Term Note Programme (the "**Programme**") for the issue, from time to time, subject to compliance with all relevant laws, regulations and directives, of notes (the "**Notes**") which was approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority pursuant to the Regulation (EU) 2017/1129 of the European Parliament and of the Council dated 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "**Prospectus Regulation**") as a base prospectus for the purposes of Article 8 of the Prospectus Regulation on 30 June 2020.

Application has been made to the CSSF in its capacity as competent authority pursuant to the Prospectus Regulation for approval of this Supplement as a supplement to the Base Prospectus.

The CSSF only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. The CSSF assumes no responsibility as to the economic and financial soundness of the Notes and the quality or solvency of the Issuer and such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the securities.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this Supplement. To the extent there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement, and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of Notes since the publication of the Base Prospectus.

In accordance with Article 23.2 of the Prospectus Regulation, where the Notes are offered to the public, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within a time-limit of two business days after the publication of this Supplement (no later than 10 September 2020) to withdraw their acceptances provided that the new factor, material mistake or material inaccuracy referred to in Article 23.1 of the Prospectus Regulation arose or was noted before the final closing of the offer or the delivery of the Notes, whichever occurs first. Investors may contact the Issuer or, if any, the relevant Authorised Offeror(s) should they wish to exercise the right of withdrawal.

The Issuer has prepared this Supplement to its Base Prospectus pursuant to Article 23 of the Prospectus Regulation for the purposes of updating the following sections of the Base Prospectus:

- "RISK FACTORS" (pages 15 *et seq.* of the Base Prospectus);
- "DOCUMENTS INCORPORATED BY REFERENCE" (pages 33 *et seq.* of the Base Prospectus);
- "DESCRIPTION OF CRÉDIT MUTUEL ARKÉA AND THE GROUP" (pages 83 *et seq.* of the Base Prospectus); and
- "GENERAL INFORMATION" (pages 124 *et seq.* of the Base Prospectus).

This Supplement will be (a) published on the websites of (i) the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and (ii) Crédit Mutuel Arkéa ([https://www.arka.com/banque/assurance/credit/mutuel/ecb\\_5038/fr/programme-emptn](https://www.arka.com/banque/assurance/credit/mutuel/ecb_5038/fr/programme-emptn)) and (b) available for inspection and obtainable, upon request and free of charge, during usual business hours, on any weekday at the registered office of the Issuer (1, rue Louis Lichou, 29480 Le Relecq-Kerhuon, France).

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## **RISK FACTORS**

Paragraph 1 entitled "*Risk factors relating to the Issuer and its activity*" of the section entitled "*Risk Factors*" on page 15 of the Base Prospectus is deleted and replaced by the following:

"

### **1. RISK FACTORS RELATING TO THE ISSUER AND ITS ACTIVITY**

The Issuer is subject to several categories of risks inherent in banking activities, which include, *inter alia*, credit risks, operational risks, structural interest rate and liquidity risks, risks specific to the insurance business, as well as market risks.

Investors are invited to read the detailed information on risk factors relating to the Issuer and its activity set out in the Amendment to the 2019 Universal Registration Document (pages 110 to 142) incorporated by reference herein (See "*Documents Incorporated by Reference*")."

## DOCUMENTS INCORPORATED BY REFERENCE

The section entitled "*Documents incorporated by reference*" on pages 33 to 37 of the Base Prospectus is deleted and replaced by the following for the purposes of incorporating by reference in the Base Prospectus the Amendment to the 2019 Universal Registration Document (as defined below) of the Issuer:

"

This Base Prospectus shall be read and construed in conjunction with the following documents which have been previously published and filed with the CSSF and which are incorporated by reference in, and shall be deemed to form part of, this Base Prospectus:

- (a) the sections referred to in the table below, included in the English translation of the amendment to the 2019 Universal Registration Document (as defined below) - filed with the French *Autorité des marchés financiers* under reference D.20-0288 on 28 August 2020 (the "**Amendment to the 2019 Universal Registration Document**" - Hyperlink : [https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-08/28-08-2020\\_-\\_urd\\_30\\_juin\\_2020\\_en.pdf](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-08/28-08-2020_-_urd_30_juin_2020_en.pdf)) containing the unaudited consolidated interim financial statements of the Issuer and related statutory auditors' report for the six months period ended 30 June 2020 (the "**2020 Interim Financial Statements**");
- (b) the sections referred to in the table below, included in the English translation of the 2019 universal registration document of the Issuer - filed with the French *Autorité des marchés financiers* under reference D.20-0288 on 14 April 2020 (the "**2019 Universal Registration Document**" - Hyperlink : [https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-05/arkea2019\\_urd\\_en\\_mel\\_20\\_05\\_07.pdf](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-05/arkea2019_urd_en_mel_20_05_07.pdf)) containing the audited consolidated annual financial statements of the Issuer and audit report for the financial year ended 31 December 2019 (the "**2019 Consolidated Financial Statements**");
- (c) the sections referred to in the table below, included in the English translation of the 2018 registration document of the Issuer - filed with the French *Autorité des marchés financiers* under reference D.19-0410 on 26 April 2019 (the "**2018 Registration Document**" - Hyperlink : [https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-05/vdef-1705bd-registration\\_document\\_2018\\_arkea.pdf](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-05/vdef-1705bd-registration_document_2018_arkea.pdf)) containing the audited consolidated annual financial statements of the Issuer and audit report for the financial year ended 31 December 2018 (the "**2018 Consolidated Financial Statements**");
- (d) the sections "Terms and Condition of the Notes" of the following bases prospectuses and supplements relating to the Programme:
  - (i) base prospectus dated 25 June 2019 (pages 89 to 129), third supplement dated 10 January 2020 to the base prospectus dated 25 June 2019 (page 15) and the fourth supplement dated 6 March 2020 to the base prospectus dated 25 June 2019 (page 14) (the "**2019 EMTN Conditions**" - Hyperlinks : [https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-06/cma\\_emtn\\_2019\\_-\\_base\\_prospectus\\_v.\\_finale.pdf](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-06/cma_emtn_2019_-_base_prospectus_v._finale.pdf), [https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-01/supplement\\_to\\_prospectus\\_-\\_base\\_final\\_200110\\_c-024599.pdf](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-01/supplement_to_prospectus_-_base_final_200110_c-024599.pdf) and [https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-03/supplement\\_cma\\_programme\\_emtn\\_final.pdf](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-03/supplement_cma_programme_emtn_final.pdf)),
  - (ii) base prospectus dated 5 September 2018 (pages 95 to 132) and second supplement dated 28 February 2019 to the base prospectus dated 5 September 2018 (page 11) (the "**2018 EMTN Conditions**" - Hyperlinks : [https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2018-09/base\\_prospectus\\_cma.2018.pdf](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2018-09/base_prospectus_cma.2018.pdf) and [https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-02/supplement\\_cma\\_programme\\_emtn\\_final.pdf](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-02/supplement_cma_programme_emtn_final.pdf)),

- (iii) base prospectus dated 31 August 2017 (pages 77 to 111) (the "**2017 EMTN Conditions**" - Hyperlink : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2017-09/emtn-base-prospectus-credit-mutuel-arkea-31082017.pdf>),
- (iv) base prospectus dated 21 July 2015 (pages 56 to 87) (the "**2015 EMTN Conditions**" - Hyperlink : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2015-07/emtn-base-prospectus-credit-mutuel-arkea-21072015.pdf>),
- (v) base prospectus dated 13 June 2014 (pages 48 to 73) (the "**2014 EMTN Conditions**" - Hyperlink: <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/base-prospectus-credit-mutuel-arkea-13062014.pdf>),
- (vi) base prospectus dated 27 May 2011 (pages 37 to 61) (the "**2011 EMTN Conditions**" - Hyperlink : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/base-prospectus-credit-mutuel-arkea-27052011.pdf>),
- (vii) base prospectus dated 27 May 2010 (pages 39 to 63) (the "**2010 EMTN Conditions**" - Hyperlink : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/base-prospectus-credit-mutuel-arkea-27052010.pdf>),
- (viii) base prospectus dated 13 July 2007 (pages 30 to 54) (the "**2007 EMTN Conditions**" - Hyperlink : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/base-prospectus-credit-mutuel-arkea-13072007.pdf>),
- (ix) base prospectus dated 12 July 2006 (pages 27 to 51) (the "**2006 EMTN Conditions**" - Hyperlink: <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/base-prospectus-credit-mutuel-arkea-12072006.pdf>),
- (x) base prospectus dated 5 September 2005 (pages 26 to 50) (the "**2005 EMTN Conditions**" - Hyperlink : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/base-prospectus-credit-mutuel-arkea-05092005.pdf>) and
- (xi) offering circular dated 23 June 2004 (pages 15 to 47) (the "**2004 EMTN Conditions**" - Hyperlink : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/base-prospectus-credit-mutuel-arkea-23062004.pdf>) and, together with the 2019 EMTN Conditions, the 2018 EMTN Conditions, the 2017 EMTN Conditions, the 2015 EMTN Conditions, the 2014 EMTN Conditions, the 2011 EMTN Conditions, the 2010 EMTN Conditions, the 2007 EMTN Conditions, the 2006 EMTN Conditions, the 2005 EMTN Conditions and the 2004 EMTN Conditions, the "**EMTN Previous Conditions**") for the purpose only of further issue of Notes to be assimilated (*assimilables*) and form a single series with Notes already issued under the relevant EMTN Previous Conditions.

Non-incorporated parts of these documents are either not relevant for investors or covered elsewhere in the Base Prospectus.

All documents incorporated by reference in this Base Prospectus (i) may be obtained without charge, on request, at the principal offices of the Issuer (1, rue Louis Lichou, 29480 Le Relecq-Kerhuon, France) during normal business hours and (ii) will be published on the websites of the Issuer ([https://www.arkea.com/banque/assurance/credit/mutuel/ecb\\_5038/fr/programme-emtn](https://www.arkea.com/banque/assurance/credit/mutuel/ecb_5038/fr/programme-emtn)) and the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) so long as any of the Notes are outstanding (and, with respect to the publication on the website of the Issuer, for at least ten (10) years from the date of their publication).

Unless otherwise explicitly incorporated by reference into this Base Prospectus in accordance with the list above, the information contained in the website of the Issuer shall not be deemed incorporated by reference herein, is for information purposes only and has not been scrutinized or approved by the competent authority.

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross reference list below. Any information not listed in the cross reference list but included in the documents incorporated by reference is not required by the schedules of the Commission Delegated Regulation 2019/980/EU of 14 March 2019 and is given for information purposes only.

<b>INFORMATION INCORPORATED BY REFERENCE</b> (Annex VI of the Commission Delegated Regulation No 2019/980/EU)	<b>REFERENCE</b>
<b>2. STATUTORY AUDITORS.</b>	
<b>2.1. Names and addresses of the Issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).</b>	Page 287 of the 2019 Universal Registration Document  Page 174 of the Amendment to the 2019 Universal Registration Document
<b>2.2. If auditors have resigned, been removed or not been reappointed during the period covered by the historical financial information, details if material.</b>	N/A
<b>3. RISK FACTORS</b>	
<b>3.1. A description of the material risks that are specific to the issuer and that may affect the issuer's ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed 'Risk Factors'.</b>  <b>In each category the most material risks, in the assessment of the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence, shall be set out first. The risk factors shall be corroborated by the content of the registration document.</b>	Pages 110 to 142 of the Amendment to the 2019 Universal Registration Document
<b>4. INFORMATION ABOUT THE ISSUER</b>	
<b>4.1. History and development of the Issuer</b>	Pages 7-8 of the 2019 Universal Registration Document
<b>4.1.1. the legal and commercial name of the issuer</b>	Page 284 of the 2019 Universal Registration Document
<b>4.1.2. the place of registration of the issuer, its registration number and legal entity identifier ('LEI');</b>	Pages 284 and 285 of the 2019 Universal Registration Document
<b>4.1.3. the date of incorporation and the length of life of the issuer , except where the period is indefinite;</b>	Page 284 of the 2019 Universal Registration Document
<b>4.1.4. the domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any;</b>	Page 284 of the 2019 Universal Registration Document
<b>4.1.5. any recent events particular to the Issuer and which are to a material extent relevant to the evaluation of the Issuer's solvency.</b>	N/A
<b>4.1.8. Description of the expected financing of the issuer's activities.</b>	Pages 68, 74 and 166 of the 2019 Universal Registration Document

	Page 28 of the Amendment to the 2019 Universal Registration Document
<b>5. BUSINESS OVERVIEW</b>	
<b>5.1. Principal activities:</b>	Pages 9 to 15 of the 2019 Universal Registration Document Page 7 of the Amendment to the 2019 Universal Registration Document
<b>5.1.1. A brief description of the issuer's principal activities stating</b>  <b>(a) the main categories of products sold and/or services performed;</b>  <b>(b) an indication of any significant new products and/or activities;</b>  <b>(c) the principal markets in which the issuer competes.</b>	Pages 9 to 13, 64 to 66 and 155 of the 2019 Universal Registration Document Pages 7, 19 to 21 and 103 of the Amendment to the 2019 Universal Registration Document Pages 8 to 10 of the Amendment to the 2019 Universal Registration Document Pages 284 of the 2019 Universal Registration Document
<b>5.2. The basis for any statements made by the issuer regarding its competitive position.</b>	Pages 9 to 11 of the 2019 Universal Registration Document
<b>6. ORGANISATIONAL STRUCTURE</b>	
<b>6.1 If the issuer is part of a group, a brief description of the group and of the issuer's position within it. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.</b>	Pages 9, 159 to 164 and 180 of the 2019 Universal Registration Document Pages 4, 7, 32, 69 and 104 to 106 of the Amendment to the 2019 Universal Registration Document
<b>7. TREND INFORMATION</b>	
<b>7.1 A description of:</b>  <b>(a) any material adverse change in the prospects of the issuer since the date of its last published audited financial statements;</b>  <b>(b) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the registration document.</b>  <b>If neither of the above are applicable then the issuer shall include an appropriate statement to the effect that no such changes exist.</b>	Page 72 of the 2019 Universal Registration Document Pages 115 to 118 of the Amendment to the 2019 Universal Registration Document
<b>7.2 Information on any known trend, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.</b>	Page 72 of the 2019 Universal Registration Document Pages 115 to 118 of the Amendment to the 2019 Universal Registration Document
<b>9. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES</b>	
<b>9.1. Names, business addresses and functions in the issuer and an indication of the principal activities performed outside the issuer of where these are significant with respect to that issuer:</b>	

(a) members of the administrative, management or supervisory bodies;	Pages 24 to 35; 40 and 41 of the 2019 Universal Registration Document Pages 143 to 144 of the Amendment to the 2019 Universal Registration Document
(b) partners with unlimited liability, in the case of a limited partnership with a share capital.	N/A
<b>9.2. Administrative, Management, and Supervisory bodies conflicts of interests</b>  Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.	Pages 43 and 44 of the 2019 Universal Registration Document
<b>10. MAJOR SHAREHOLDERS</b>	
<b>10.1 To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.</b>	N/A
<b>11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>	
<b><u>11.1 Historical financial information</u></b>	
<i>2018 Registration Document</i>	
- Balance sheet	Pages 79 and 80 of the 2018 Registration Document
- Income Statement	Page 81 of the 2018 Registration Document
- Change in shareholders' equity	Pages 83 and 84 of the 2018 Registration Document
- Statement of cash flows	Pages 85 and 86 of the 2018 Registration Document
- Notes	Pages 87 to 185 of the 2018 Registration Document
- Auditors' report on the 2018 Consolidated Financial Statements	Pages 320 to 324 of the 2018 Registration Document
<i>2019 Universal Registration Document</i>	
- Balance sheet	Pages 74 and 75 of the 2019 Universal Registration Document
- Income Statement	Page 76 of the 2019 Universal Registration Document
- Change in shareholders' equity	Pages 78 and 79 of the 2019 Universal Registration Document
- Statement of cash flows	Page 80 of the 2019 Universal Registration Document
- Notes	Pages 81 to 165 of the 2019 Universal Registration Document

<b>- Auditors' report on the 2019 Consolidated Financial Statements</b>	Pages 290 to 293 of the 2019 Universal Registration Document
<b><i>Amendment to the 2019 Universal Registration Document</i></b>	
<b>- Balance sheet</b>	Page 28 of the Amendment to the 2019 Universal Registration Document
<b>- Income Statement</b>	Page 29 of the Amendment to the 2019 Universal Registration Document
<b>- Change in shareholders' equity</b>	Page 30 of the Amendment to the 2019 Universal Registration Document
<b>- Statement of cash flows</b>	Page 31 of the Amendment to the 2019 Universal Registration Document
<b>- Notes</b>	Pages 32 to 107 of the Amendment to the 2019 Universal Registration Document
<b>- Auditors' report on the 2020 Interim Financial Statements</b>	Pages 108 to 109 of the Amendment to the 2019 Universal Registration Document
<b>12. ADDITIONAL INFORMATION</b>	
<b>12.2. Memorandum and Articles of Association - The register and the entry number therein, if applicable, and a description of the issuer's objects and purposes and where they can be found in the memorandum and articles of association.</b>	Pages 23 and 284 of the 2019 Universal Registration Document

The EMTN Previous Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued under the relevant EMTN Previous Conditions.

Non-incorporated parts of the offering circular of the Issuer dated 23 June 2004, the base prospectus of the Issuer dated 5 September 2005, base prospectus of the Issuer dated 12 July 2006, the base prospectus of the Issuer dated 13 July 2007, the base prospectus of the Issuer dated 27 May 2010, the base prospectus of the Issuer dated 27 May 2011, the base prospectus of the Issuer dated 13 June 2014, the base prospectus of the Issuer dated 21 July 2015, the base prospectus of the Issuer dated 31 August 2017, the base prospectus of the Issuer dated 5 September 2018 and the base prospectus of the Issuer dated 25 June 2019 are not relevant for investors."

## DESCRIPTION OF CRÉDIT MUTUEL ARKÉA AND THE GROUP

The section entitled "*Description of Crédit Mutuel Arkéa and the Group*" on pages 83 to 86 of the Base Prospectus is deleted and replaced by the following:

"

### 1. Description of the Group and its structure

Crédit Mutuel Arkéa is part of the mutual and cooperative banking sector.

The risks related to the disaffiliation of Crédit Mutuel Arkéa Group from Crédit Mutuel are described under "*Risk related to the disaffiliation of Crédit Mutuel Arkéa Group from Crédit Mutuel*" in pages 130 to 139 of the Amendment to the 2019 Universal Registration Document, which are incorporated by reference in this Base Prospectus.

#### 1.1. Crédit Mutuel Arkéa Group

A universal bank that is open to all, Crédit Mutuel Arkéa is both a producer and distributor of its products and services. This positioning gives it control over the entire value-added chain thanks to the contributions of its specialized subsidiaries.

The Group's basic unit is the local savings bank (*caisse locale*). Each local savings bank has a restricted area of operations and its capital is owned by customer shareholders in the form of shares.

Crédit Mutuel Arkéa Group comprises the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations as well as approximately thirty (30) specialised subsidiaries, which enable it to cover all of the business lines in the banking and financial area.

Crédit Mutuel Arkéa is affiliated to the *Confédération Nationale du Crédit Mutuel* (the "CNCM"), the central body of the Crédit Mutuel.

With a network of 464 points of sale and the strength of its 9,000 employees, Crédit Mutuel Arkéa places openness and development at the heart of its business plan. Original and bold, resolutely cooperative and mutual, the Group controls the entire value chain of a bancassurer, from manufacturing to distribution, and affirms its strategy thanks to a strong and recognized technological know-how.

Crédit Mutuel Arkéa has €62.9 billion in outstanding loans and €124.9 billion in savings outstanding as at December 31, 2019.

At its meeting of January 17, 2018, the Board of Directors of Crédit Mutuel Arkéa mandated the managers to take all necessary measures to enable Crédit Mutuel Arkéa to become a cooperative banking group independent from the Crédit Mutuel, in order to pursue its original development strategy based on three strengths: its territorial roots, its culture of innovation and its intermediate size.

The directors of the local savings banks and the Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel Massif Central federations were invited to vote in the first half of 2018, as part of an orientation vote. At the end of the consultation process initiated by the local savings banks of the Crédit Mutuel Arkéa group and the holding of Board meetings of the federations, the Crédit Mutuel Arkéa group has made official the results of the votes of the 307 local savings banks that voted. 94.5 % of the local savings banks voted in favour of the independence project of Crédit Mutuel Arkéa, which will thus become a group cooperative and territorial, independent from Crédit Mutuel. This vote acknowledges the Crédit Mutuel Arkéa Group's intention to exit the Crédit Mutuel and allows opening a project to define the modalities of its disaffiliation.

The Crédit Mutuel Arkéa group has begun the operational implementation of its disaffiliation. On June 29, 2018, Crédit Mutuel Arkéa's Board of Directors approved the main principles of the target organisational structure of the future independent group. Work to define exhaustive technical details of the project has been underway for several months and is in the process of being finalised with the supervisors.

The disaffiliation operations will then be initiated in connection with the CNCM and in the limit of the powers granted to it by law.

Furthermore, Crédit Mutuel Arkéa ensures that the Group's main financial ratios comply with the regulatory limits set by the banking authorities.

From a regulatory standpoint, Crédit Mutuel Arkéa together with the local savings banks of the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations are the Group's consolidating parent company. It is licensed as such by the banking and financial authorities.

The credit institutions, whose financial statements are referred to herein as the consolidated financial statements, consist of the cooperative companies (local savings banks of the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations), the legal entity Crédit Mutuel Arkéa and its affiliates.

Furthermore, on 17 February 2020, the Board of Directors of Crédit Mutuel Arkéa proposed to change the governance structure of the company. Thus, Crédit Mutuel Arkéa, which is a *société anonyme coopérative de crédit à capital variable* with a Board of Directors, could become a *société anonyme coopérative de crédit à capital variable* with a Management Board and a Supervisory Board.

This project has been approved by the Boards of Directors of the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations. However, the CNCM refused to submit it to its supervisory body for examination. As a result, the project has been suspended by Crédit Mutuel Arkéa, which is continuing to consider changes to its governance structure.

## **1.2. The Crédit Mutuel Arkéa Group's structure**

In this organisation, Crédit Mutuel Arkéa is the Group's lead company. It has received a general license for the local savings banks of the three federations. The local savings banks do not receive individual licenses. Crédit Mutuel Arkéa also provides access to the financial markets for all Group entities.

Crédit Mutuel Arkéa's federations are members of CNCM, which represents Crédit Mutuel's various regional groups.

## **2. Solidarity relations**

None of the local savings banks hold more than 5% of the capital of Crédit Mutuel Arkéa.

Crédit Mutuel Arkéa owns approximately thirty specialized subsidiaries.

### **2.1. Solidarity relations within Crédit Mutuel Arkéa**

The solidarity mechanism provided for within the Arkéa Group is an inter-federal mechanism based on Article R.511-3 of the French *Code monétaire et financier*.

This text provides that the European Central Bank (the "ECB") may, on the proposal of the ACPR, for mutual and cooperative groups, issue a collective licence to a regional or federal fund for itself and for all the funds affiliated to it "when the liquidity and solvency of the local banks are guaranteed as a result of such affiliation".

Crédit Mutuel Arkéa benefits from this collective approval for itself and for all the local banks that are members of the Crédit Mutuel de Bretagne et du Sud-Ouest federations, since ACPR and the ECB considered that this membership guaranteed the liquidity and solvency of the local banks.

The solidarity mechanism is organised by the financial regulations contained in each of the general operating regulations specific to the federations of Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest, and the internal regulations of Crédit Mutuel Arkéa. It is binding only on the member local banks, these federations and Crédit Mutuel Arkéa. Furthermore, it does not create any obligations of the member local banks with regard to third parties. In other words, there is no passive solidarity of the members of Crédit Mutuel Arkéa with regard to third parties; creditors of a member local bank can only turn to that fund and not to any other or to Crédit Mutuel Arkéa indifferently.

This solidarity mechanism is essentially reflected in the constitution, at the level of each federation, of the federal

fund that ensures the equalisation of the results of the member local banks, in accordance with General Decision No. 1-2020 of the CNCM.

The federal fund is fed by allocations and subsidies from local banks and includes the federal solidarity fund and the federal reserve fund.

1 - The Federal Solidarity Fund ensures the equalization of the results of the member local banks by means of endowments and subsidies. Any local bank that has had a deficit for a period of three (3) consecutive years is subject to a special review. A recovery plan is set up with the departments of the federation concerned and Crédit Mutuel Arkéa. At the end of the recovery period set out in the plan, if the deficit is confirmed, the federation concerned, in consultation with Crédit Mutuel Arkéa, shall decide on the future of the local bank.

2 - The Federal Reserve Fund may intervene in favour of member local banks whose net position is negative or whose result is negative, as well as in favour of those that have been victims of an exceptional disaster.

The federation decides annually on the level of endowment to this fund. The federal reserve fund is managed by the federation. Requests for intervention submitted to it are examined by a Committee of administrators.

Independently of this federal fund, Crédit Mutuel Arkéa may also intervene directly in the form of advances, subsidies or loans granted to member local banks in difficulty.

In addition, Crédit Mutuel Arkéa provides support to its subsidiaries within the framework of prudential supervision on a consolidated basis (Articles 7 and 8 of EU Regulation 575/2013 as amended, supplemented by ad-hoc intra-group financial agreements on the scope of liquidity), the provisions of the Monetary and Financial Code (Article L. 511-42 of the French *Code Monétaire et Financier*) as well as the supplementary supervision obligations described in the Order of 3 November 2014 on the supplementary supervision of financial conglomerates and transposing European Directive 2002/87/EC as amended.

## **2.2. Solidarity relations within the Crédit Mutuel**

### **2.2.1. Current context of disaffiliation**

The Crédit Mutuel, within the meaning of Article 511-20 of the French *Code Monétaire et Financier*, is governed by the French *Code Monétaire et Financier*, in particular Articles L. 511-30 to L. 511-32 of the French *Code Monétaire et Financier* relating to central bodies and Articles L. 512-55 to L. 512-59 of the French *Code Monétaire et Financier* relating to Crédit Mutuel. The membership of the regional groups (2nd level of the organisation) in CNCM and the Caisse centrale du Crédit Mutuel (3rd level) completes the organisation of Crédit Mutuel.

As a central body, the CNCM represents the credit institutions affiliated to it at the Banque de France, the ACPR and the ECB. It oversees the application of the laws and regulations specific to its institutions. It exercises administrative, technical and financial control over the organisation and management of the affiliated Crédit Mutuel banks.

National solidarity is set by the CNCM's General Decision No. 1-2020. Furthermore, General Decision No 2-2020 provides for the implementation of measures in phases of proven financial difficulty or resolution within Crédit Mutuel as a whole.

It is specified that Crédit Mutuel Arkéa has its own solidarity mechanism as defined above, which would intervene in the first instance and that the Arkéa group would no longer benefit from the national inter-federal solidarity mechanism in the event of the Arkéa group's disaffiliation from the Crédit Mutuel as described below.

It is also specified that, in the context of the application of General Decision No 2-2020, Crédit Mutuel Arkéa could be obliged to participate in mechanisms for the prevention and management of banking crises within Crédit Mutuel.

On 17 January 2018, Crédit Mutuel Arkéa's Board of Directors gave its management a mandate to take any action that would enable Crédit Mutuel Arkéa to become a cooperative banking group independent from the rest of Crédit Mutuel, in order to pursue its original development strategy based on three strengths: its territorial roots, its culture

of innovation and its agility.

On 18 April 2018, the Boards of Directors of the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations met and officialized the results of the votes cast by the 307 local banks. 94.5% of the local banks voted in favour of independence for Crédit Mutuel Arkéa.

The Arkéa group has begun the operational implementation of its disaffiliation. The Board of Directors of Crédit Mutuel Arkéa, on 29 June 2018, approved the target organisation plan for the future independent group and called on the local banks to give their opinion on the implementation of this plan. Work to define the detailed technical details of the project has been under way for several months and discussions are underway with the supervisory authorities.

The disaffiliation operations will then be initiated in conjunction with the CNCM, within the limits of the powers attributed to it by law.

Following this disaffiliation, Arkéa (currently Crédit Mutuel Arkéa) would still be authorised as a cooperative bank and supervised directly by ACPR and the ECB. The local banks would become the Local Cooperatives, which would no longer be credit institutions, retaining their status as cooperative companies with variable capital and forming between them a union of cooperatives, Arkéa, pursuant to Article 5 of Law No 47-1775 of 10 September 1947 laying down the status of cooperation.

In addition, a cooperation pact between all the Local Cooperatives and Arkéa will be concluded for a ninety-nine (99) year period with a view to implementing solidarity, mutual aid and support mechanisms to promote the fulfillment of the Local Cooperatives' primary mission, namely to promote access to banking, financial and insurance services for all.

Within the framework of the General Decision (DCG) n°1-2019, relating to the disaffiliation of the Crédit Mutuel banks at their request, the operational implementation of the disaffiliation of the Arkéa group remains subject to the approval and vote of the Boards of Directors of the local banks.

The local banks that vote against the disaffiliation from the Crédit Mutuel group, or do not wish to participate in the vote, may not be part of this new organisation.

Even if 94,5 % of the local banks that voted in 2018 did so in favour of independence, these results do not prejudice the results of the future vote on the operational implementation of this disaffiliation from the Crédit Mutuel.

Each local bank will be called upon to decide on the implementation phase of the disaffiliation of the Arkéa group in order to approve the disaffiliation project, the terms and conditions of disaffiliation and the filing of a disaffiliation request by the Federation concerned, in accordance with the DCG.

Local banks that choose to vote against disaffiliation may join another federal or inter-federal fund in order to benefit from a new collective agreement.

For more information, investors should refer to paragraph 1 entitled "*Risk factors relating to the Issuer and its activity*" of the section entitled "*Risk Factors*" on page 15 of this Base Prospectus.

At this stage, there is no certainty as to how this conflict with CNCM could evolve and/or the time frame in which it could be resolved, or the impact it could have if Crédit Mutuel Arkéa were to remain part of the Crédit Mutuel or become a totally autonomous banking group.

### **2.2.2. Solidarity mechanism in force**

Crédit Mutuel's solidarity system aims to ensure the liquidity and solvency of all the institutions affiliated to the CNCM at all times in order to prevent any default. It is based on a set of rules and mechanisms put in place at the

level of regional groups and at the confederal level.

As a reminder, the solidarity between CNCM affiliates is unlimited.

### ***Provisions applicable at the level of regional groups***

The solidarity mechanism provided for within the Regional Federation concerned is a mechanism that is based on Article R.511-3 of the French *Code Monétaire et Financier*, independently of the statutory provisions relating to the joint and several liability of the Members within the limit of the nominal value of the shares subscribed by the member.

Each federation must set up a solidarity system between the local banks within its territorial jurisdiction.

This mechanism must enable a local bank to avoid a long-term deficit and/or to ensure the recovery of a deteriorated situation. It ensures the equalization of the results of the member banks by means of a federal fund, through contributions in the form of contributions or subsidies. The contribution obligation is imposed on all funds (including the federal or inter-federal fund), or only on funds with positive results, depending on the regulations of the federal fund concerned in force. The contributions, which ensure equalization, and the subsidies must cover the losses recorded in the financial year and any tax deficits carried forward. The equalization grants must include the sums needed to pay the remuneration of the shares. Grants from the federal fund are normally repayable.

Implementation of remedial measures at the level of "regional groups" as defined in the "DCG". A system reviewed and updated annually enables the regional group to monitor a certain number of key indicators, included in the risk appetite framework adopted by the CNCM's Board of Directors, and to implement the corrective measures provided for in the recovery plan if the indicators are exceeded.

In the event of difficulty and under the control of the CNCM, a regional group may request the assistance of another regional group, in particular in the implementation of the recovery plan.

If no regional solidarity solution has been put in place or has not restored compliance with key indicators within the time frame set out in the recovery plan, or if objective evidence suggests that the implementation of such solutions would prove insufficient, the national solidarity mechanism shall be implemented.

### ***Provisions adopted at the national level***

The CNCM is responsible, without limitation, for ensuring the cohesion of its network and the proper functioning of its affiliated institutions. To this end, it must take all necessary measures, in particular to guarantee the liquidity and solvency of each of these institutions as well as the entire network (Article L.511-31 of the Monetary and Financial Code).

According to the arrangements laid down by the DCGs, the necessary interventions may be decided by the CNCM's Board of Directors if the mechanisms existing at the level of the regional groups prove to be insufficient to deal with any difficulties that a group may face.

## **3. Boards of directors and executive management**

The business address of each member of the Board of Directors and Executive Management Committee mentioned in Section 2.2 of the 2019 Universal Registration Document is the registered office of Crédit Mutuel Arkéa (1, rue Louis Lichou, 29480 Le Relecq-Kerhuon, France).

As of the date for this Base Prospectus, there were no conflicts of interest between any duties of the members of the Board of Directors and (i) Crédit Mutuel Arkéa (ii) and/or their other duties (iii) and/or their private interests.

## **4. Share capital and long-term debt of Crédit Mutuel Arkéa**

As at 7 September 2020, the share capital of the Issuer amounts to €2,311,238,724 and the long-term debt of the Issuer amounts to €18,850,251,162.13.

Updated information on the Issuer's share capital and long-term debt will be published (i) regularly on the website of the Issuer ([https://www.arkea.com/banque/assurance/credit/mutuel/ecb\\_5038/fr/programme-empt](https://www.arkea.com/banque/assurance/credit/mutuel/ecb_5038/fr/programme-empt)) and (ii) when the update of such information constitutes a significant new factor pursuant to Article 23 of the Prospectus Regulation (as described in the section "*Supplement to the Base Prospectus*" above), in a Supplement."

## GENERAL INFORMATION

Paragraphs 3, 4 and 10 of the section entitled "*General Information*" on pages 124 and 125 of the Base Prospectus are deleted and replaced by the following:

"

- (3) Except as disclosed in this Base Prospectus and the information incorporated by reference therein, including with respect to the economic impacts linked to the current situation with COVID-19, there has been no significant change in the financial position or financial performance of the Issuer or the Group since 30 June 2020.

On 5 September 2019, Crédit Mutuel Arkéa signed a memorandum of understanding with the Caisse Fédérale de Crédit Mutuel and Crédit Mutuel Massif Central federation to define the terms of the separation of the Crédit Mutuel Massif Central federation, which took place on January 1<sup>st</sup>, 2020.

The CET 1 ratio of the Crédit Mutuel Arkéa Group is 16.4% as at 31 December 2019 before taking into account the exit of Crédit Mutuel Massif Central from the scope of Crédit Mutuel Arkéa (and excluding the deduction of irrevocable payment commitments to the Single Resolution Fund and the Deposit Guarantee System, which negative impact amounts to 12 bp on the CET 1 ratio at the end of 2019). In January 2020 (i.e. after the exit of Crédit Mutuel Massif Central), the CET 1 ratio (excluding irrevocable payment commitments to the Single Resolution Fund and the Deposit Guarantee System) is estimated at 16.5%. Tier 1 or Common Equity Tier 1 (CET 1) totaled €6,164 million. It increased by €570 million in 2019, which corresponds mainly to the incorporation of the unappropriated profit for the year and the collection of shares.

- (4) Except as disclosed in this Base Prospectus and the information incorporated by reference therein, including with respect to the economic impacts linked to the current situation with COVID-19, there has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2019.

- (10) So long as Notes are capable of being issued under the Programme (and, with respect to the publication on the website of the Issuer, for at least ten (10) years from the date of their publication), copies of the following documents will, when published, be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Issuer and the documents listed at (i), (ii), (v) and (vi) below will also be available on the Issuer's website ([https://www.arka.com/banque/assurance/credit/mutuel/ecb\\_5038/fr/programme-emptn](https://www.arka.com/banque/assurance/credit/mutuel/ecb_5038/fr/programme-emptn)) :

- (i) the *statuts* of the Issuer;
- (ii) the Amendment to the 2019 Universal Registration Document, the 2019 Universal Registration Document and the 2018 Registration Document;
- (iii) the Agency Agreement (which includes the form of the *Lettre Comptable*, the Temporary Global Certificates, the Definitive Materialised Notes, the Coupons and the Talons);
- (iv) the Final Terms for Notes that are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange or any other Regulated Market in the EEA and/or that are offered to the public in Luxembourg and/or in any Member State of the EEA;
- (v) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further base prospectus;
- (vi) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the relevant Issuer's request any part of which is included or referred to in this Base Prospectus."