

**SUPPLEMENT N° 2 DATED 17 MARCH 2021
TO THE BASE PROSPECTUS DATED 18 MAY 2021**



ARKÉA HOME LOANS SFH
(duly licensed French specialised credit institution)

€13,000,000,000
COVERED BOND PROGRAMME
FOR THE ISSUE OF *OBLIGATIONS DE FINANCEMENT DE L'HABITAT*

This second supplement (the "**Supplement**") is supplemental to, and must be read in conjunction with, the base prospectus dated 18 May 2021 (the "**Base Prospectus**") and the first supplement to the Base Prospectus dated 10 September 2021 prepared by Arkéa Home Loans SFH (the "**Issuer**") with respect to the €13,000,000,000 Covered Bond Programme (the "**Programme**") for the issue, from time to time, subject to compliance with all relevant laws, regulations and directives, of covered bonds (the "**Covered Bonds**") 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 18 May 2021.

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 Covered Bonds 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 Covered Bonds since the publication of the Base Prospectus.

In accordance with Article 23.2 of the Prospectus Regulation, where the Covered Bonds 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 three business days after the publication of this Supplement (no later than 22 March 2022) 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 Covered Bonds, whichever occurs first. Investors may contact the Issuer should they wish to exercise the right of withdrawal.

The Issuer has prepared this Supplement to its Base Prospectus pursuant to Article 23.1 of the Prospectus Regulation for the purposes of updating the following sections of the Base Prospectus:

- "DOCUMENTS INCORPORATED BY REFERENCE" (pages 51 *et seq.* of the Base Prospectus);

- "THE ISSUER" (pages 99 *et seq.* of the Base Prospectus);

and

- "GENERAL INFORMATION" (pages 173 *et seq.* of the Base Prospectus).

This Supplement will be (a) published on the websites of (i) the Luxembourg Stock Exchange (www.bourse.lu) and (ii) Crédit Mutuel Arkéa (https://www.arkea.com/banque/assurance/credit/mutuel/ecb_5039/fr/home-loans-sfh) 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) and at the specified offices of the Paying Agents.

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DOCUMENTS INCORPORATED BY REFERENCE

On page 51 of the Base Prospectus, the section "*Documents Incorporated by Reference*" shall be deleted and replaced by the following:

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

- the annual financial report of the Issuer for the year ended, 31 December 2021, in the French language, which includes the financial statements of the Issuer as at, and for the year ended, 31 December 2021, including the audited cash flow statements of the Issuer for the financial years ended 31 December 2021 and 31 December 2020 (the "**2021 Financial Statements**") and the auditors' report thereon (the "**2021 Auditors' Report**" and together with the 2021 Financial Statements, the "**2021 Annual Financial Report**");

https://www.cm-arkea.com/banque/assurance/credit/upload/docs/application/pdf/2022-03/rapport_financier_annuel_sfh_2021_vdef_pdf.pdf

- the unaudited financial statements of the Issuer as at, and for the six-month period ended, 30 June 2021, in the French language, together with the related notes (the "**2021 Interim Financial Statements**") and the auditors' report thereon (the "**2021 Interim Review Report**", together with the 2021 Interim Financial Statements, the "**2021 Interim Financial Report**");

https://www.cm-arkea.com/banque/assurance/credit/upload/docs/application/pdf/2021-09/v1-rapport_financier_semestriel_sfh_30.06.21_final.pdf

- the annual financial report of the Issuer for the year ended, 31 December 2020, in the French language, which includes the financial statements of the Issuer as at, and for the year ended, 31 December 2020, including the audited cash flow statements of the Issuer for the financial years ended 31 December 2020 and 31 December 2019 (the "**2020 Financial Statements**") and the auditors' report thereon (the "**2020 Auditors' Report**" and together with the 2020 Financial Statements, the "**2020 Annual Financial Report**");

https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2021-03/rfa_sfh_2020_def_gdb_complet.pdf

- the annual financial report of the Issuer for the year ended, 31 December 2019, in the French language, which includes the financial statements of the Issuer as at, and for the year ended, 31 December 2019, including the audited cash flow statements of the Issuer for the financial years ended 31 December 2019 and 31 December 2018 (the "**2019 Financial Statements** ") and the auditors' report thereon (the "**2019 Auditors' Report**" and together with the 2019 Financial Statements, the "**2019 Annual Financial Report**");

https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-03/rapport_financier_annuel_sfh_31122019_signe.pdf

- the sections "Terms and Conditions of the French law Covered Bonds" of the following base prospectuses relating to the Programme:

(i) Base Prospectus dated 22 December 2010 (the "**2010 Covered Bonds Conditions**") : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/base-prospectus-credit-mutuel-arkea-covered-bonds-22122010.pdf>,

- (ii) Base Prospectus dated 9 May 2011 (the "**2011 Covered Bonds Conditions**") : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/base-prospectus-credit-mutuel-arkea-home-loans-sfh-09052011.pdf>,
- (iii) Base Prospectus dated 14 June 2013 : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-02/base-prospectus-credit-mutuel-arkea-home-loans-sfh-14062013.pdf> and its second supplement dated 2 September 2013 (the "**2013 Covered Bonds Conditions**") : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-02/supplement2-base-prospectus-credit-mutuel-arkea-home-loans-sfh-02092013.pdf>,
- (iv) Base Prospectus dated 29 May 2015 (the "**2015 Covered Bonds Conditions**") : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2016-11/base-prospectus-arkea-home-loans-sfh-29052015.pdf>,
- (v) Base Prospectus dated 29 June 2016 (the "**2016 Covered Bonds Conditions**") : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2016-11/base-prospectus-arkea-home-loans-sfh-29062016.pdf>,
- (vi) Base Prospectus dated 27 June 2017 (the "**2017 Covered Bonds Conditions**") : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2017-06/base-prospectus-arkea-home-loans-sfh-27062017.pdf>,
- (vii) Base Prospectus dated 13 September 2018 (the "**2018 Covered Bonds Conditions**") : <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2018-09/base-prospectus-arkea-home-loans-sfh-13092018.pdf>,
- (viii) Base Prospectus dated 28 June 2019 (the "**2019 Covered Bonds Conditions**") : https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-07/arkea_hl_sfh_-_2019_base_prospectus_v_finale.pdf and
- (ix) Base Prospectus dated 9 April 2020 (the "**2020 Covered Bonds Conditions**") : https://www.cm-arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-04/arkea_hl_sfh_-_2020_base_prospectus_-_v_finale_2020_04_09.pdf

The parts of these documents that are not incorporated by reference in this Base Prospectus are either not relevant for the investors or covered elsewhere in the Base Prospectus.

The Issuer assumes responsibility for the correct translation of the French version of the 2019 Annual Financial Report, the 2020 Annual Financial Report, the 2021 Interim Financial Report and the 2021 Annual Financial Report.

The documents incorporated by reference in this Base Prospectus may be obtained, free of charge, at the principal office of the Issuer during normal business hours and on the website of Crédit Mutuel Arkéa (<http://www.arkea.com>) so long as any of the Covered Bonds are outstanding. All documents incorporated by reference will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

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 below, but included in

the documents incorporated by reference, is not incorporated by reference and is not relevant for investors.

Cross-reference list

<p align="center">INFORMATION INCORPORATED BY REFERENCE</p> <p align="center">(Annex 6 item 11 of the European Delegated Regulation 2019/980/EU)</p>	<p align="center">REFERENCE</p>
<p>11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</p>	
<p><u>11.1 Historical financial information</u></p>	
<p align="center"><i>2019 Annual Financial Report</i></p>	
<p>- Balance sheet</p>	<p>Page 39 of the 2019 Annual Financial Report</p>
<p>- Income statements</p>	<p>Page 40 of the 2019 Annual Financial Report</p>
<p>- Notes</p>	<p>Pages 40 to 49 of the 2019 Annual Financial Report</p>
<p>- Cash Flow Statements</p>	<p>Page 48 of the 2019 Annual Financial Report</p>
<p>- Auditor's report relating to the above</p>	<p>Pages 50 to 56 of the 2019 Annual Financial Report</p>
<p align="center"><i>2020 Annual Financial Report</i></p>	
<p>- Balance sheet</p>	<p>Page 43 of the 2020 Annual Financial Report</p>
<p>- Income statements</p>	<p>Page 44 of the 2020 Annual Financial Report</p>
<p>- Notes</p>	<p>Pages 48 to 55 of the 2020 Annual Financial Report</p>
<p>- Cash Flow Statements</p>	<p>Page 54 of the 2020 Annual Financial Report</p>
<p>- Audit report from the auditors relating to the above</p>	<p>Pages 56 to 64 of the 2020 Annual Financial Report</p>
<p align="center"><i>2021 Interim Financial Report</i></p>	
<p>- Balance Sheet</p>	<p>Page 4 of the 2021 Interim Financial Report</p>
<p>- Income Statements</p>	<p>Page 5 of the 2021 Interim Financial Report</p>
<p>- Notes</p>	<p>Pages 6 to 16 of the 2021 Interim Financial Report</p>
<p>- Cash Flow Statements</p>	<p>Page 15 of the 2021 Interim Financial Report</p>
<p>- Review report from the auditors relating to the above</p>	<p>Pages 18 to 19 of the 2021 Interim Financial Report</p>
<p align="center"><i>2021 Annual Financial Report</i></p>	
<p>- Balance Sheet</p>	<p>Page 43 of the 2021 Annual Financial Report</p>

INFORMATION INCORPORATED BY REFERENCE (Annex 6 item 11 of the European Delegated Regulation 2019/980/EU)	REFERENCE
- Income Statements	Page 44 of the 2021 Annual Financial Report
- Notes	Pages 45 to 55 of the 2021 Annual Financial Report
- Cash Flow Statements	Page 54 of the 2021 Annual Financial Report
- Review report from the auditors relating to the above	Pages 56 to 64 of the 2021 Annual Financial Report

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

Cross-reference list in respect of the Covered Bonds Previous Conditions

INFORMATION INCORPORATED BY REFERENCE	REFERENCE
2010 Covered Bonds Conditions	
Terms and Conditions of the French law Covered Bonds	Pages 40 to 68 of the Base Prospectus dated 22 December 2010
2011 Covered Bonds Conditions	
Terms and Conditions of the French law Covered Bonds	Pages 45 to 74 of the Base Prospectus dated 9 May 2011
2013 Covered Bonds Conditions	
Terms and Conditions of the French law Covered Bonds	Pages 42 to 73 of the Base Prospectus dated 14 June 2013 and pages 2 to 3 of its second supplement dated 2 September 2013
2015 Covered Bonds Conditions	
Terms and Conditions of the French law Covered Bonds	Pages 76 to 112 of the Base Prospectus dated 29 May 2015
2016 Covered Bonds Conditions	
Terms and Conditions of the French law Covered Bonds	Pages 77 to 113 of the Base Prospectus dated 29 June 2016
2017 Covered Bonds Conditions	
Terms and Conditions of the French law Covered Bonds	Pages 75 to 111 of the Base Prospectus dated 27 June 2017
2018 Covered Bonds Conditions	
Terms and Conditions of the French law Covered Bonds	Pages 98 to 137 of the Base Prospectus dated 13 September 2018
2019 Covered Bonds Conditions	
Terms and Conditions of the French law Covered Bonds	Pages 103 to 141 of the Base Prospectus dated 28 June 2019
2020 Covered Bonds Conditions	
Terms and Conditions of the French law Covered Bonds	Pages 53 to 92 of the Base Prospectus dated 9 April 2020

Non-incorporated parts of the 2010 Covered Bonds Conditions, 2011 Covered Bonds Conditions, 2013 Covered Bonds Conditions, 2015 Covered Bonds Conditions, 2016 Covered Bond Conditions, 2017

Covered Bonds Conditions, 2018 Covered Bonds Conditions, 2019 Covered Bonds Conditions and 2020 Covered Bonds Conditions are not relevant for investors."

THE ISSUER

Paragraph entitled "*Issuer Financial Elements*" of the section entitled "*The Issuer*" on page 102 of the Base Prospectus is deleted and replaced by the following:

"Issuer Financial Elements

The financial year of the Issuer runs from 1 January to 31 December. The annual and interim results of the Issuer shown hereafter are the non consolidated accounts. The Issuer does not produce consolidated financial statements.

Prudential ratios

The Issuer's prudential ratios are assessed at the group consolidated level and at the Issuer level. At the date hereof, the regulatory capital of the Issuer consists in Core Tier 1 only.

Debt securities

As at 31 December 2021, the Issuer's debt securities (*dettes représentées par un titre*) amounted to €8,334,230,699.61."

Paragraph entitled "*Issuer Statutory Auditors*" of the section entitled "*The Issuer*" on page 106 of the Base Prospectus is deleted and replaced by the following:

"Issuer Statutory Auditors

As from 10 October 2008, the statutory auditors of the Issuer are:

- (a) Deloitte & Associés, 185 avenue Charles de Gaulle, 92524 Neuilly-sur-Seine, France; and
- (b) Mazars, 61 rue Henri Régnault, 92075 Paris La Défense, France.

They are regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux comptes*.

Sterenn was statutory auditor of the Issuer as from 20 October 2000 until 10 October 2008 (excluded).

The financial statements of the Issuer as at and for the years ended 31 December 2021, 31 December 2020 and 31 December 2019 and have been audited by the statutory auditors of the Issuer, who have issued an audit report for each of these financial statements."

GENERAL INFORMATION

Paragraphs 3, 4, 5, 6 and 13(b) of the section entitled "*General Information*" on pages 173 to 175 of the Base Prospectus are deleted and replaced by the following:

- "(3) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the update of the Programme. Any issuance of Covered Bonds under the Programme, to the extent that such Covered Bonds constitute *obligations* under French law, requires the prior authorisation of the board of directors (*conseil d'administration*) of the Issuer, which may delegate its power to any person of its choice.

For this purpose, on 16 December 2021, the board of directors (*conseil d'administration*) of the Issuer has delegated, for a period of one (1) year from 1 January 2022, to the Chief executive officer (*directeur général*) and to the Vice chief executive officer (*directeur général délégué*), the power to decide the issue of bonds (*obligations*) under the Programme, up to a maximum aggregate amount of € 2,000,000,000 (or the equivalent in any other currency) and, to determine the final terms and conditions of such bonds (*obligations*).

- (4) There has been no significant change in the financial performance of the Group since 31 December 2021.
- (5) There has been no significant change in the financial position of the Group since 31 December 2021.
- (6) Save as disclosed in this Base Prospectus and in particular in paragraph 1.5 (*Risks related to the global economic environment*) of the Risk Factors section, there has been no material adverse change in the prospects of the Issuer since 31 December 2021, the detailed consequences of which are difficult to assess as of the date hereof.
- (13) (b) the 2019 Annual Financial Report, the 2020 Annual Financial Report, the 2021 Interim Financial Report and the 2021 Annual Financial Report ;"
