

**SUPPLEMENT N° 2 DATED 16 MARCH 2021 TO THE BASE
PROSPECTUS DATED 9 APRIL 2020**



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 9 April 2020 (the "**Base Prospectus**") and the first supplement to the Base Prospectus dated 16 October 2020 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 9 April 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 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 material 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 two business days after the publication of this Supplement (no later than 18 March 2021) 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:

- COVER PAGES;
- "GENERAL DESCRIPTION OF THE PROGRAMME" (pages 7 *et seq.* of the Base Prospectus);
- "RISK FACTORS" (pages 15 *et seq.* of the Base Prospectus);
- "DOCUMENTS INCORPORATED BY REFERENCE" (pages 49 *et seq.* of the Base Prospectus);
- "TERMS AND CONDITIONS OF THE FRENCH LAW COVERED BONDS" (pages 53 *et seq.* of the Base Prospectus);
- "THE ISSUER" (pages 96 *et seq.* of the Base Prospectus);
- "SUMMARY OF THE SFH LEGAL FRAMEWORK AND OTHER LEGAL ISSUES" (pages 106 *et seq.* of the Base Prospectus);
- "FORM OF FINAL TERMS" (pages 145 *et seq.* of the Base Prospectus);
- "SUBSCRIPTION AND SALE" (pages 162 *et seq.* of the Base Prospectus); and
- "GENERAL INFORMATION" (pages 166 *et seq.* of the Base Prospectus).

For a better understanding of this Supplement, the strikethrough elements are those deleted and the underlined elements are those added to 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).

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COVER PAGES

Third paragraph of the first page of the Base Prospectus is modified as follows:

"The minimum denomination of each Covered Bond admitted to trading on a Regulated Market (as defined below) in any member state of the European Economic Area ("EEA") (a "Member State") ~~or in the United Kingdom~~ in circumstances which require the publication of a prospectus under the Prospectus Regulation (as defined below) will be € 1,000 (or its equivalent in any other currency at the issue date), or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency (as defined in section "Terms and Conditions of the French law Covered Bonds – Interest and other Calculations" of this Base Prospectus). No offer to the public will be made under this Base Prospectus."

Eleventh paragraph of the first page of the Base Prospectus is modified as follows:

"Covered Bonds to be issued under the Programme are expected on issue to be rated AAA by Fitch Ratings [Ireland Limited](#) ("Fitch") and Aaa by Moody's ~~Investors Services Ltd~~ [France S.A.S.](#) ("Moody's" and, together with Fitch, the "Rating Agencies"). The rating of the relevant Covered Bonds will be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. The Rating Agencies are established in the European Union and registered under Regulation (EC) no. 1060/2009 as amended by Regulation (EU) no. 513/2011 (the "CRA Regulation"), as amended and included in the list of registered credit rating agencies published by the ESMA on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>)."

Notices relating to MiFID II Product Governance and PRIIPs Regulation on pages 4 and 5 of the Base Prospectus are modified as follows:

"MiFID II product governance / target market – The Final Terms in respect of any Covered Bonds will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Covered Bonds, taking into account the five (5) categories referred to in item 18 of the Guidelines published by the ESMA on 5 February 2018, and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "distributor") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU, as amended ("MiFID II") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds, but otherwise neither the Arranger nor the Dealer(s) nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR product governance / target market – The Final Terms in respect of any Covered Bonds will include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "distributor") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Covered Bonds is a manufacturer in respect

of such Covered Bonds, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

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

UK PRIIPS REGULATION – PROHIBITION OF SALES TO UK RETAIL INVESTORS – If the Final Terms in respect of any Covered Bonds include a legend entitled "Prohibition of Sales to UK Retail Investors" as "Applicable", the Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing MiFID II as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation."

GENERAL DESCRIPTION OF THE PROGRAMME

Item entitled "*Rating Agencies*" of the section entitled "*General Description of the Programme*" on page 8 of the Base Prospectus is modified as follows:

"Rating Agencies: Fitch Ratings [Ireland Limited](#) and Moody's ~~Investors Service Ltd~~[France S.A.S.](#)"

Item entitled "*Rating*" of the section entitled "*General Description of the Programme*" on page 13 of the Base Prospectus is modified as follows:

"Rating: Covered Bonds issued under the Programme are expected on issue to be rated AAA by Fitch Ratings [Ireland Limited \("Fitch"\)](#) and Aaa by Moody's ~~Investors Service Ltd~~[France S.A.S. \("Moody's" and, together with Fitch, the "Rating Agencies"\)](#). The ratings of the Covered Bonds will be specified in the relevant Final Terms.

The Rating Agencies are established in the European Union and registered under Regulation (EC) no. 1060/2009 as amended by Regulation (EU) no. 513/2011, as amended (the "**CRA Regulation**") and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency."

RISK FACTORS

Risk factor entitled "EU Resolution and Recovery Directive" of sub-paragraph 2.1 entitled "Risks related to the Covered Bonds generally" of paragraph 2 entitled "Risks related to Covered Bonds" of the section entitled "Risk Factors" on pages 36 to 38 of the Base Prospectus is modified as follows:

"EU Resolution and Recovery Directive"

The Directive 2014/59/EU of the European Parliament and of the Council dated 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms entered into force on 2 July 2014 (the "**Bank Recovery and Resolution Directive**" or "**BRRD**"). The BRRD provides authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

The implementation of the BRRD into French law has been made by three texts of legislative nature. Firstly, the banking law dated 26 July 2013 regarding the separation and the regulation of banking activities (*loi de séparation et de régulation des activités bancaires*) (as modified by the *ordonnance* dated 20 February 2014 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*)) (the "**Banking Law**") implementing partially the BRRD in anticipation. Secondly, *Ordonnance* no. 2015-1024 dated 20 August 2015 (*Ordonnance n°2015-1024 du 20 août 2015 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (the "**Ordonnance**"), published in the Official Journal of the French Republic dated 21 August 2015, which has introduced various provisions amending (among others, crisis prevention and management measures applicable to credit institutions provided for in Articles L.613-48 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*) and supplementing the Banking Law to adapt French law to the BRRD. Thirdly, the *Ordonnance* has been ratified by law no. 2016-1691 dated 9 December 2016 (*loi n°2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) which also incorporates provisions which clarify the implementation of the BRRD in France.

Moreover, Regulation (EU) no. 806/2014 of the European Parliament and of the Council of 15 July 2014 (the "**Single Resolution Mechanism Regulation**") establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund has established a centralised power of resolution and entrusted to a Single Resolution Board and to the national resolution authorities.

In addition, following the publication on 7 June 2019 in the Official Journal of the EU of (i) the Directive (EU) 2019/879 of the European Parliament and of the Council dated 20 May 2019 amending the BRRD (the "**BRRD Revision**") as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC and of (ii) the Regulation (EU) 2019/877 of the European Parliament and of the Council dated 20 May 2019 amending the Single Resolution Mechanism Regulation as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms, a comprehensive legislative package reducing risks in the banking sector and further reinforcing banks' ability to withstand potential shocks ~~will~~ strengthens the banking union and ~~reduces~~ reduces risks in the financial system ~~from~~ since 28 December 2020. The BRRD Revision ~~will be~~ was implemented ~~under French law within 18 months from 27 June 2019~~ in France by an *ordonnance* (*Ordonnance n° 2020-1636 relative au régime de résolution dans le secteur bancaire*) dated 21 December 2020.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is necessary in the public interest:

- sale of business – which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms;
- bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control);

- asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and
- bail-in – which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims to equity, which equity could also be subject to any future cancellation, transfer or dilution by application of the bail-in tool (the "**bail-in tool**").

The BRRD also provides the right for a Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors.

Bail-in enables the resolution authority to write down subordinated or non-subordinated debt of a failing institution and/or convert them to equity, which equity could also be subject to any reduction or written down. When applying bail-in the resolution authority must first reduce or cancel common equity tier one, thereafter reduce, cancel, convert additional tier one instruments, then tier two instruments and other subordinated debts to the extent required and up to their capacity. If only this total reduction is less than the amount needed, the resolution authority will reduce or convert to the extent required the principal amount or outstanding amount payable in respect of unsecured creditors in accordance with the hierarchy of claims in normal insolvency proceedings.

Regarding Covered Bonds, the BRRD provides that the relevant resolution authority shall not exercise the write down or conversion powers in relation to secured liabilities including covered bonds and liabilities in the form of financial instruments used for hedging purposes which form an integral part of the cover pool and which according to national law are secured in a way similar to covered bonds, whether they are governed by the law of a Member State or of a third country. Nevertheless, relevant claims for the purposes of the bail-in tool would include the claims of the holders in respect of any Covered Bonds issued under the Programme, only if and to the extent that the bond liability exceeded the value of the cover pool collateral against which it is secured.

The application of any resolution measure under the French BRRD implementing provisions, or any suggestions of such application, with respect to the Issuer could materially adversely affect the rights of the holders of Covered Bonds, the price or value of an investment in the Covered Bonds and/or the ability of the Issuer to satisfy its obligations under the Covered Bonds, and as a result investors may lose their entire investment. Moreover, if the Issuer's financial condition deteriorates, the existence of the bail-in tool or the exercise of write-down/conversion powers by the resolution authority independently of a resolution measure with respect to capital instruments (including subordinated debt instruments) or in combination with a resolution measure when it determines that the institution or its group will no longer be viable could cause the market price or value of the Covered Bonds to decline more rapidly than would be the case in the absence of such powers."

Risk factor entitled "*Risk relating to Benchmarks Regulation and other reforms and to certain benchmark rates that may be administered differently or discontinued in the future, including LIBOR*" of sub-paragraph 2.2 entitled "*Risks related to the Structure of a particular issue of Covered Bonds*" of paragraph 2 entitled "*Risks related to Covered Bonds*" of the section entitled "*Risk Factors*" on pages 40 to 42 of the Base

Prospectus is modified as follows:

"Risk relating to Benchmarks Regulation and other reforms and to certain benchmark rates that may be administered differently or discontinued in the future, including LIBOR"

Interest rates and indices which are deemed to be "benchmarks" (including EURIBOR, LIBOR and EUR-CMS) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, to be subject to revised calculation methods, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Floating Rate Covered Bonds linked to or referencing such a "benchmark".

Regulation (EU) 2016/1011 [of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds](#), as [may be amended from time to time](#) (the "**Benchmarks Regulation**")~~–The Benchmarks Regulation~~ applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). [In the United Kingdom, the Benchmark Regulations as it forms part of domestic law by virtue of European Union \(Withdrawal\) Act 2018 \("EUWA"\) provides for equivalent sets of rules.](#)

The Benchmarks Regulation could have a material impact on any Floating Rate Covered Bonds linked to or referencing a "benchmark", including in any of the following circumstances:

- an index which is a "benchmark" could not be used by a supervised entity in certain ways if its administrator does not obtain authorisation or registration or, if based in a non-EU jurisdiction, the administrator is not recognised as equivalent or recognised or endorsed and the transitional provisions do not apply; and
- the methodology or other terms of the "benchmark" could be changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing or increasing the rate or level or otherwise affecting the volatility of the published rate or level of the "benchmark".

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the following effects on certain "benchmarks" (including EURIBOR, LIBOR and EUR-CMS): (i) discourage market participants from continuing to administer or contribute to the "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmark" or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Floating Rate Covered Bonds linked to or referencing a "benchmark".

Regulation (EU) 2019/2089 of the European Parliament and of the Council of 27 November 2019 has amended the existing provisions of the Benchmarks Regulation by extending the transitional provisions applicable to material benchmarks and third-country benchmarks until the end of 2021.

[The Benchmark Regulation was further amended by Regulation \(EU\) 2021/168 of the European Parliament and of the Council of 10 February 2021 which introduces a harmonised approach to deal with the cessation or wind-down of certain benchmarks by conferring the power to designate a statutory replacement for certain benchmarks on the Commission or the relevant national authority, such replacement being limited to contracts and financial instruments. In addition, the transitional provisions applicable to third-country benchmarks are extended until the end of 2023. The Commission is empowered to further extend this period until the end of 2025, if necessary.](#)

Investors should consult their own independent advisers and make their own assessment about the potential

risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Floating Rate Covered Bonds linked to or referencing a "benchmark".

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority (the "FCA"), which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021 (the "FCA Announcement"). Therefore, the continuation of LIBOR in its current form (or at all) after 2021 cannot be guaranteed. In a further speech on 12 July 2018, the Chief executive officer of the FCA, emphasised that market participants should not rely on the continued publication of LIBOR after the end of 2021. The potential elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, may require an adjustment to the terms and conditions, or result in other consequences, in respect of any Floating Rate Covered Bonds linked to such benchmark (including but not limited to Floating Rate Covered Bonds whose interest rates are linked to LIBOR) depending on the specific provisions of the relevant terms and conditions applicable to the Floating Rate Covered Bonds. Any such consequences could have a material adverse effect on the liquidity and value of and return on any such Floating Rate Covered Bonds.

Other interbank offered rates such as EURIBOR (the European Interbank Offered Rate) (together with LIBOR, the "IBORs") suffer from similar weaknesses to LIBOR and as a result may be discontinued or be subject to changes in their administration.

Changes to the administration of an IBOR or the emergence of alternatives to an IBOR, may cause such IBOR to perform differently than in the past, or there could be other consequences which cannot be predicted. The discontinuation of an IBOR or changes to its administration could require changes to the way in which the Rate of Interest is calculated in respect of any Floating Rate Covered Bonds referencing or linked to such IBOR. The development of alternatives to an IBOR may result in Covered Bonds linked to or referencing such IBOR performing differently than would otherwise have been the case if the alternatives to such IBOR had not developed. Any such consequence could have a material adverse effect on the value of, and return on, any Floating Rate Covered Bonds linked to or referencing such IBOR.

Whilst alternatives to certain IBORs for use in the bond market (including SONIA (for Sterling LIBOR) and rates that may be derived from SONIA) are being developed, in the absence of any legislative measures, [as the case may be](#), outstanding covered bonds linked to or referencing an IBOR will only transition away from such IBOR in accordance with their particular terms and conditions.

Indeed, investors should be aware that, if an IBOR were discontinued or otherwise unavailable, the Rate of Interest of the Covered Bonds will be determined for the relevant period by the fall-back provisions applicable to the Covered Bonds. [However, such fall-back provisions may be deviated from if deemed unsuitable by the Commission or the relevant national authority, as mentioned above.](#)

The Terms and Conditions of the Covered Bonds provide for certain fallback arrangements in the event that a Benchmark Event occurs, including if an inter-bank offered rate (such as LIBOR or EURIBOR) or other relevant reference rate (such as EUR-CMS), and/or any page on which such benchmark may be published, becomes unavailable, or if the Issuer, the Calculation Agent, any Paying Agent or any other party responsible for the calculation of the Rate of Interest (as specified in the applicable Final Terms) are no longer permitted lawfully to calculate interest on any Floating Rate Covered Bonds by reference to such benchmark under the Benchmarks Regulation or otherwise.

Such fallback arrangements include the possibility that the Rate of Interest could be set by reference to a Successor Rate or an Alternative Rate (both as defined in the Terms and Conditions of the Covered Bonds), with or without the application of an adjustment spread and may include amendments to the Terms and Conditions of the Covered Bonds to ensure the proper operation of the successor or replacement benchmark, all as determined by the Reference Rate Determination Agent and without the consent of the Bondholders. An adjustment spread if applied, could be positive or negative, and would be applied with a view to reducing or eliminating, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark.

The Successor Rates or Alternative Rates may have no or very limited trading history and accordingly their general evolution and/or interaction with other relevant market forces or elements may be difficult to

determine or measure. This could significantly affect the performance of an alternative rate compared to the historical and expected performance of the relevant benchmark.

In certain circumstances, the ultimate fallback for a particular Interest Period, including where no Successor Rate or Alternative Rate (as applicable) is determined, may be that the rate of interest for such Interest Period be based on the rate which applied for the immediately preceding Interest Period.

This ultimate fallback may result in the effective application of a Fixed Rate Covered Bonds linked to or referencing a "benchmark". In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Rates and the involvement of a Reference Rate Determination Agent, the relevant fallback provisions may not operate as intended at the relevant time. Any such consequences could have a material adverse effect on the value of and return on any such Floating Rate Covered Bonds.

Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Covered Bonds referencing a "benchmark" or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Covered Bonds. Investors should note that, the Reference Rate Determination Agent will have discretion to adjust the relevant Successor Rate or Alternative Rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected and significant adverse consequences and there can be no assurance that, due to the particular circumstances of each Bondholder, any such adjustment will be favourable to each Bondholder.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Covered Bonds linked to or referencing such "benchmarks".

DOCUMENTS INCORPORATED BY REFERENCE

The section entitled "*Documents incorporated by reference*" on pages 49 to 52 of the Base Prospectus is modified as follows for the purposes of incorporating by reference in the Base Prospectus the 2020 Annual Financial Report (as defined below) of the Issuer:

"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 Arkéa Home Loans SFH 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 unaudited financial statements of the Issuer as at, and for the six-month period ended, 30 June 2020, in the French language, together with the related notes and the auditors' report thereon (the "**2020 Interim Financial Report**");

https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-09/v1b-rapport_financeir_semestriel_sfh_30.06.20_final.pdf

- the annual financial report of Arkéa Home Loans SFH 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_financeir_annuel_sfh_31122019_signe.pdf

- the annual financial report of Arkéa Home Loans SFH for the year ended, 31 December 2018, in the French language, which includes the financial statements of the Issuer as at, and for the year ended, 31 December 2018, including the audited cash flow statements of the Issuer for the financial years ended 31 December 2018 and 31 December 2017 (the "**2018 Financial Statements**"), and the auditors' report thereon (the "**2018 Auditors' Report**" and together with the 2018 Financial Statements, the "**2018 Annual Financial Report**");

https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-04/rapport_financeir_annuel_arkea_home_loans_sfh-31122018.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](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>, and
- (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.

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 2018 Annual Financial Report, the 2019 Annual Financial Report ~~and~~, the 2020 Interim Financial Report [and the 2020 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 ~~and the Paying Agents set out at the end of this Base Prospectus~~ 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. This Base Prospectus, the 2018 Annual Financial Report, the 2019 Annual Financial Report ~~and~~, the 2020 Interim Financial Report [and the 2020 Annual Financial Report](#) will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross reference list below.

Cross-reference list¹

INFORMATION INCORPORATED BY REFERENCE (Annex VI item 11 of the European Delegated Regulation 2019/980/EU)	REFERENCE
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
<u>11.1 Historical financial information</u>	
<p align="center"><i>2018 Annual Financial Report</i></p>	
- Balance sheet	Page 43 of the 2018 Annual Financial Report
- Income statements	Page 44 of the 2018 Annual Financial Report
- Notes	Pages 45 to 51 of the 2018 Annual Financial Report
- Cash Flow Statements	Page 50 of the 2018 Annual Financial Report
- Audit report from the auditors relating to the above	Pages 52 to 58 of the 2018 Annual Financial Report
<p align="center"><i>2019 Annual Financial Report</i></p>	
- Balance sheet	Page 39 of the 2019 Annual Financial Report
- Income statements	Page 40 of the 2019 Annual Financial Report
- Notes	Pages 40 to 49 of the 2019 Annual Financial Report
- Cash Flow Statements	Page 48 of the 2019 Annual Financial Report
- Audit report from the auditors relating to the above	Pages 50 to 56 of the 2019 Annual Financial Report
<p align="center"><i>2020 Interim Financial Report</i></p>	
- Balance sheet	Page 4 of the 2020 Interim Financial Report
- Income statements	Page 5 of the 2020 Interim Financial Report
- Notes	Pages 6 to 14 of the 2020 Interim Financial Report
- Cash Flow Statements	Page 13 of the 2020 Interim Financial Report
- Review report from the auditors relating to the above	Pages 15 to 17 of the 2020 Interim Financial Report
<p align="center"><u><i>2020 Annual Financial Report</i></u></p>	
- <u>Balance sheet</u>	Page 43 of the 2020 Annual Financial Report
- <u>Income statements</u>	Page 44 of the 2020 Annual Financial Report
- <u>Notes</u>	Pages 48 to 55 of the 2020 Annual Financial Report
- <u>Cash Flow Statements</u>	Page 54 of the 2020 Annual Financial Report

¹ Indicated pages refer to the PDF pages of the 2018 Annual Financial Report, the 2019 Annual Financial Report ~~and~~ the 2020 Interim Financial Report [and the 2020 Annual Financial Report](#).

<u>- Audit report from the auditors relating to the above</u>	<u>Pages 56 to 64 of the 2020 Annual Financial Report</u>
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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

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

TERMS AND CONDITIONS OF THE FRENCH LAW COVERED BONDS

Last paragraph of the first page of the section entitled "*Terms and Conditions of the French Law Covered Bonds*" on page 53 of the Base Prospectus is modified as follows:

"Copies of the Final Terms applicable to a Series of Covered Bonds may be obtained, upon request, free of charge, from the registered office of the Issuer and the specified offices of the Paying Agents provided that, if such Series of Covered Bonds is neither admitted to trading on a regulated market in the European Economic Area (the "EEA") nor offered in the EEA ~~or in the United Kingdom~~ in circumstances where a Base Prospectus is required to be published under Regulation (EU) 2017/1129 dated 14 June 2017, as amended (the "**Prospectus Regulation**"), the applicable Final Terms will only be obtainable by a Bondholder holding one or more Covered Bonds and such Bondholder must produce evidence satisfactory to the Issuer and/or the Paying Agent as to its holding of such Covered Bonds and identity."

The definition of "**Rating Agencies**" in Condition 1 entitled "*Definitions*" of the section entitled "*Terms and Conditions of the French Law Covered Bonds*" on page 56 of the Base Prospectus is modified as follows:

""**Rating Agencies**" means Fitch Ratings [Ireland Limited](#) ("**Fitch**"), Moody's ~~Investors Service Ltd~~[France S.A.S.](#) ("**Moody's**") or any other rating agency of equivalent standing or any successor thereto."

THE ISSUER

Paragraph entitled "*Issuer management bodies*" of the section entitled "*The Issuer*" on pages 101 to 103 of the Base Prospectus is modified as follows:

"Issuer management bodies

The chairman and chief executive officer

~~Mrs. Anne Le Goff~~ Mr. Marc Paradis, Chairman of the board of directors (*Présidente du conseil d'administration*) organises and supervises the work of the board of directors (*conseil d'administration*). It ensures the efficient functioning of the board of directors (*conseil d'administration*) which determines the Issuer's business strategy and monitors its implementation in accordance with French applicable corporate laws.

Mr. ~~Jean-Luc Le Pache~~ Philippe Bauda, Chief executive officer (*directeur général*) and Mr. ~~Philippe Bauda~~ Julien Le Calvez, Deputy chief executive officer (*directeur général délégué*) are vested with the broadest powers to act on behalf of the Issuer in all circumstances. In accordance with French applicable corporate laws, each of the chief executive officer (*directeur général*) and the vice chief executive officer (*directeur général délégué*) represents the Issuer *vis-à-vis* third parties.

Board of directors (conseil d'administration)

The board of directors (*conseil d'administration*) consists of a minimum of three (3) members and a maximum of eighteen (18) members. The term of office is three (3) years.

Members of the board of directors (conseil d'administration)

On the date of this Base Prospectus, the board of directors (*conseil d'administration*) consists of 6 (six) members.

<u>Name and Position</u>	<u>Date of appointment</u>
Mrs. Le Goff, Anne <u>Mr. Paradis, Marc</u> , Chairman of the board of directors of the Issuer	1 February 2018 <u>10 December 2020</u>
Mr. Bauda Philippe <u>Le Calvez, Julien</u> , Deputy chief executive officer and Director	7 March 2019 <u>4 March 2021</u>
Mr. Le Dro, Pierrick, Director	13 April 2018
Crédit Mutuel Arkéa, Director represented by Mr. Jean-Luc Le Pache <u>Philippe Bauda</u>	10 October 2008 <u>4 March 2021</u>
Mr. Bezard, Jérôme, Director	13 April 2018
Mr. Morvan, Jérémy, Director	28 April 2010

The members of the board of directors (*conseil d'administration*) have their business addresses at the registered office of the Issuer.

~~Mrs. Anne Le Goff~~ Mr. Marc Paradis, Chairman of the board of directors (*Présidente du conseil d'administration*) of the Issuer is also ~~Head of the Support and Development division (Directeur du Pôle Supports au développement) of Crédit Mutuel Arkéa and Deputy chief executive officer (Directeur general délégué) of Crédit Mutuel Arkéa~~ chairman of the management board of directors of Financo, which is a subsidiary of Crédit Mutuel Arkéa;

Mr. ~~Jean-Luc Le Pache~~ Philippe Bauda, Chief executive officer of the Issuer and representative of Crédit Mutuel Arkéa at the board of directors (*conseil d'administration*) of the Issuer, is also ~~Deputy to the deputy chief executive officer in charge of the development support division (*adjoint au Directeur général délégué chargé du pôle Supports au développement*) of Crédit Mutuel Arkéa~~ Head of Financial Management Control (*Directeur de la direction Pilotage Financier*) of Crédit Mutuel Arkéa and chief executive officer (*directeur général*) of Arkéa Public Sector SCF;

Mr. ~~Philippe Bauda~~ Julien Le Calvez, Deputy chief executive officer of the Issuer, is also ~~Head of Financial Management Control (*Directeur de la direction Pilotage Financier*) of Crédit Mutuel Arkéa~~ deputy chief executive officer (*directeur general délégué*) of Arkéa Public Sector SCF;

Mr. Pierrick Le Dro is also member of the board of the *fédération* of Crédit Mutuel de Bretagne and chairman of the board of directors (*président du conseil d'administration*) of a *Caisse locale* (the *Caisse locale de Caudan*);

Mr. Jérôme Bezard is also Chairman of the board of directors (*président du conseil d'administration*) of a *Caisse locale* (the *Caisse locale de Caudan*).

Rights and duties of the board of directors (conseil d'administration)

In accordance with French applicable corporate laws and the articles of association of the Issuer, the board of directors (*conseil d'administration*) determines the scope of the Issuer's business activities. Without prejudice to the powers expressly granted to meetings of the shareholders, and in so far as the articles of association permit, the board of directors (*conseil d'administration*) deals with all matters relating to the conduct of the Issuer's business, within the limit of the corporate purpose (*objet social*) of the Issuer. When dealing with third parties, the Issuer is bound by acts of the board of directors (*conseil d'administration*) which do not come within the scope of the Issuer's corporate purpose, unless it can prove that the third party knew that a specific action was out of that scope.

The board of directors (*conseil d'administration*) shall carry out the inspections and verifications which it considers appropriate. The chairman of the board of directors (*conseil d'administration*) or the chief executive officer (*directeur général*) is required to send all the documents and information necessary to perform this task to each director (*administrateur*).

The chairman of the board of directors (*président du conseil d'administration*) organises and oversees the work of the board of directors (*conseil d'administration*) and reports to the shareholders' general meeting.

The Issuer identified no potential conflicts of interests between the duties to it by the members of the board of directors (*conseil d'administration*) and their private interests and/or other duties.

Rights and duties of the chief executive officer (directeur général)

The general management of the Issuer shall be performed by the chief executive officer (*directeur général*). The chief executive officer (*directeur général*) shall have the most extensive powers to act on behalf of the Issuer in all circumstances, but will exercise its powers subject to those that the law allocates explicitly to shareholders' meetings and to the board of directors (*conseil d'administration*).

With regard to the shareholders, the by-laws of the Issuer provides that some actions shall not be able to be taken by the board of directors (*conseil d'administration*), nor by the chairman (*président*), nor by any chief executive officer (*directeur général*) whatsoever, without the prior consent of the shareholders' general meeting. Such provisions of the by-laws of the Issuer restricting the actions the board of directors (*conseil d'administration*), the chairman (*président*) or the chief executive officer (*directeur général*) may take are not enforceable against third parties.

The Issuer Independent Representative

According to the by-laws of the Issuer, the board of directors (*conseil d'administration*) will, at any time, include an independent member (the "**Issuer Independent Representative**"), *i.e.* a member having no relationship with the Issuer, its shareholders or its management, which may compromise the independence of judgement by such member, as further described and detailed in the by-laws of the Issuer. On the date of this Base Prospectus, Mr. Jérémy Morvan is the Issuer Independent Representative.

Certain action, determination or appointment by the Issuer or the shareholders of the Issuer (such as specified under the terms and conditions and/or any other Programme Documents) may not be taken or made without written confirmation consent of the Issuer Independent Representative (the "**Issuer Independent Representative Consent**"). By way of example, the Programme Documents may not be amended without the prior Issuer Independent Representative Consent (except if any such amendment is expressly permitted or contemplated under the Programme Documents)."

SUMMARY OF THE SFH LEGAL FRAMEWORK AND OTHER LEGAL ISSUES

Paragraph entitled "*Current capital requirements and CRD V package*" of the section entitled "*Summary of the SFH Legal Framework and Other Legal Issues*" on page 112 of the Base Prospectus is modified as follows:

"Current capital requirements and CRD V package

The framework of the Basel Committee for Banking Supervision has been implemented under EU legislation through the "CRD IV package" which consists of the Capital Requirements Directive no. 2013/36/EU dated 26 June 2013 ("**CRD IV**") and the Capital Requirements Regulation no. 575/2013 dated 26 June 2013 ("**CRR**"). A number of requirements arising from the CRD IV package was implemented under French law by the Banking Law, as amended by the *Ordonnance* (as defined above). The implementation of the CRD IV package was finalized under French law by *ordonnance* no. 2014-158 dated 20 February 2014 at the legislative level and several *décrets* and *arrêtés* dated 3 November 2014.

The implementation of CRD IV package has and will continue to bring about a number of substantial changes to the current capital requirements, prudential oversight and risk-management systems, including those of the Issuer. The direction and the magnitude of the impact of CRD IV package will depend on the particular asset structure of each bank and its precise impact on the Issuer cannot be quantified with certainty at this time. The Issuer may operate its business in ways that are less profitable than its present operation in complying with the new guidelines resulting from the transposition and application of the CRD IV package.

In addition, the implementation of CRD IV package could affect the risk weighting of the Covered Bonds in respect of certain investors to the extent that those investors are subject to the new guidelines resulting from the implementation of the CRD IV package. Accordingly, recipients of this Base Prospectus should consult their own advisers as to the consequences and effects the implementation of the CRD IV package could have on them.

The European Parliament and the Council of the European Union adopted the Directive no. 2019/878/EU dated 20 May 2019 amending the CRD IV (the "**CRD IV Revision**" and together with the CRD IV, the "**CRD V**") and the Regulation no. 2019/876/EU dated 20 May 2019 amending the CRR (the "**CRR Revision**" and together with the CRR, the "**CRR V**" and together with the CRD V, the "**CRD V package**"). ~~The CRD V package was published in the Official Journal of the European Union of 7 June 2019 and came into force on 27 June 2019. The CRD IV Revision will be implemented under French law within 18 months from 27 June 2019.~~ The CRD IV Revision was implemented under French law by the *Ordonnance n° 2020-1635 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière* dated 21 December 2020 and the *Décret n° 2020-1637 portant diverses dispositions d'adaptation au droit de l'Union européenne en matière financière et relatif aux sociétés de financement* dated 22 December 2020. Certain portions of the CRR Revision ~~apply immediately as from its entry into force~~ are already applicable (including those applicable to the new requirements for own funds and eligible liabilities) while others shall apply ~~several years after the date of its entry into force~~ as from 28 June 2021, 1st January 2023 or 28 January 2023. ~~The new provisions will implement the Basel Committee's finalized Basel III reforms dated December 2017."~~

FORM OF FINAL TERMS

Notices relating to MiFID II Product Governance and PRIIPs Regulation in the cover pages of the section entitled "*Form of Final Terms*" on pages 145 and 146 of the Base Prospectus are modified as follows:

[PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") ~~or in the United Kingdom~~. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended ("MiFID II"); (ii) a customer within the meaning of Directive 2016/97/EU, as amended (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation 2017/1129/EU dated 14 June 2017 (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) no. 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA ~~or in the United Kingdom~~ has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA ~~or in the United Kingdom~~ may be unlawful under the PRIIPs Regulation.]¹

[PRIIPs REGULATION / PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing MiFID II as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "FSMA") and any rules or regulations made under the FSMA to implement [Directive 2016/97/EU of the European Parliament and of the Council of 20 January 2016 on insurance distribution, as amended / the Insurance Distribution Directive], where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments as it forms part of domestic law by virtue of the EUWA ["UK MiFIR"]; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]²

[³MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**") / MiFID II]; and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]⁴. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the manufacturer[*'s/s'*] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer[*'s/s'*] target market assessment) and

¹ Legend to be included if the Covered Bonds are not intended to be sold to retail clients in the EEA.

² Legend to be included if the Covered Bonds are not intended to be sold to retail clients in the UK.

³ Legend to be included following completion of the target market assessment in respect of the Covered Bonds taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018.

⁴ ICMA 1 and ICMA 2 approaches envisage that a negative target market will be unlikely. Note that a programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: "The target market assessment indicates that Covered Bonds are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested]."

determining appropriate distribution channels.⁵}]

UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in [UK MiFIR / Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments] as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]⁶. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.⁷

OR

⁸[MiFID II PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ECPs TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**") / MiFID II]; **EITHER** ⁹[and (ii) all channels for distribution of the Covered Bonds are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]¹⁰ **OR** ¹¹[(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Covered Bonds to retail clients are appropriate - investment advice[, and] portfolio management[, and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]¹². Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]¹³.}]¹⁴

⁵ Legend to be included if the Covered Bonds are not intended to be sold to retail clients [in the EEA](#).

⁶ ICMA 1 and ICMA 2 approaches envisage that a negative target market will be unlikely. Note that a programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: "The target market assessment indicates that Covered Bonds are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested]."

⁷ Legend to be included if the Covered Bonds are not intended to be sold to retail clients in the UK.

⁸ This legend is applicable if following the ICMA2 retail approach which would only be the case in relation to a low denomination issue and for Covered Bonds which are not ESMA complex or certain ESMA complex Covered Bonds only (as explained in the ICMA MiFID II/R in primary markets webpage: <https://www.icmagroup.org/Regulatory-Policy-and-Market-Practice/Primary-Markets/primary-market-topics/mifid-ii-r-in-primarymarkets/>).

⁹ Include for **bondsCovered Bonds** that are not ESMA complex.

¹⁰ This list may not be necessary, especially for **bondsCovered Bonds** that are not ESMA complex where all channels of distribution may be appropriate. It reflects the list used in the examples in the ESMA Guidelines.

¹¹ Include for certain ESMA complex **bondsCovered Bonds**. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Covered Bonds constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

¹² ICMA 1 and ICMA 2 approaches envisage that a negative target market will be unlikely. Note that a programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: "The target market assessment indicates that Covered Bonds are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested]."

¹³ Legend to be included if the Covered Bonds are intended to be sold to retail clients in the EEA. If the Covered Bonds constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II. If there are advised sales, a determination of suitability will be necessary.

¹⁴ Legend to be included if the Covered Bonds are intended to be sold to retail clients in the EEA.

¹⁵ ¹⁶ **UK MiFIR PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is retail clients, as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing MiFID II as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA") and professional clients, as defined in [UK MiFIR / Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments] as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); **EITHER** ¹⁷[and (ii) all channels for distribution of the Covered Bonds are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]¹⁸] **OR** ¹⁹[(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Covered Bonds to retail clients are appropriate - investment advice[, / and] portfolio management[, / and] non-advised sales]and pure execution services][, subject to the distributor's suitability and appropriateness obligations under FCA Handbook Conduct of Business Sourcebook ("COBS"), as applicable]]. [Consider any negative target market]²⁰. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable]²¹.]]"

Sub-item entitled "*Benchmarks*" in item 6 of Part B of the section entitled "*Form of Final Terms*" on pages 158 and 159 of the Base Prospectus is modified as follows:

"Benchmarks:

Amounts payable under the Covered Bonds will be calculated by reference to [EURIBOR, LIBOR, EUR-CMS or any reference rate that might replace them] which is provided by [the European Money Markets Institute/ICE Benchmark Administration Limited]. As at [●], [the European Money Markets Institute/ICE Benchmark Administration Limited] [appears/does not appear] on the register of administrators and benchmarks established and maintained by [the European Securities and Markets Authority pursuant to Article 36 of the Benchmark Regulation, as amended (Regulation (EU) 2016/1011) (the "**Benchmark Regulation**") / the Financial Conduct Authority in the United

¹⁵ The legend may not be necessary for a programme with a non-UK MiFIR issuer and non-UK MiFIR guarantor(s) if the managers in relation to the Covered Bonds are also not subject to UK MiFIR and therefore there are no UK MiFIR manufacturers. Depending on the location of the manufacturers, there may be situations where either the MiFID II product governance legend or the UK MiFIR product governance legend or where both are included.

¹⁶ Include this legend if parties have agreed to a retail target market. This may be the case if (1) following the ICMA 2 retail approach which would only be the case in relation to a low denomination issue and for Covered Bonds which are not ESMA complex (in the UK context, as reflected in COBS) or certain ESMA complex bonds (in the UK context, as reflected in COBS) only (as explained in the ICMA 2 paper) (2) a more detailed bespoke target market assessment and review is intended or (3) an alternative proportionate approach is to be followed.

¹⁷ Include for Covered Bonds that are not ESMA complex (in the UK context, as reflected in COBS).

¹⁸ This list may not be necessary, especially for Covered Bonds that are not ESMA complex where all channels of distribution may be appropriate (in the UK context, as reflected in COBS). It reflects the list used in the examples in the ESMA Guidelines.

¹⁹ Include for certain ESMA complex Covered Bonds (in the UK context, as reflected in COBS). This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Covered Bonds constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness.

²⁰ ICMA 1 and ICMA 2 approaches envisage that a negative target market will be unlikely. Note that a programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: "The target market assessment indicates that Covered Bonds are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested]."

²¹ If the Covered Bonds constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness. If there are advised sales, a determination of suitability will be necessary.

[Kingdom pursuant to Article 36 of the Benchmarks Regulation as it forms part of UK domestic law by virtue of the EUWA](#). [As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that the European Money Markets Institute is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]"

The following item 8(vii) entitled "*Prohibition of Sales to UK Retail Investors*" is added after item 8(vi) entitled "*Prohibition of Sales to EEA Retail Investors*" of Part B of the section entitled "*Form of Final Terms*" on page 160 of the Base Prospectus:

"[\(vii\) Prohibition of Sales to UK Retail Investors](#)²²: [\[Not Applicable/Applicable\]](#)"

²² The expression "Retail Investor" means a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing MiFID II as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA.

SUBSCRIPTION AND SALE

Paragraphs entitled "*European Economic Area*", "*Prohibition of Sales to EEA Retail Investors*" and "*United Kingdom*" of the section entitled "*Subscription and Sale*" on pages 163 and 164 of the Base Prospectus are modified as follows:

"European Economic Area

If the Final Terms in respect of any Covered Bonds specify "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to the public in a Member State of the EEA ~~or of the United Kingdom~~ except that, pursuant to an exemption to publish a prospectus, it may make an offer of such Covered Bonds to the public in that Member State of the EEA ~~or the United Kingdom~~:

- (a) **qualified investors**: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) **fewer than 150 offerees**: at any time to fewer than one hundred and fifty (150) natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) **other exempt offers**: at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Covered Bonds referred to in paragraphs (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Covered Bonds to the public**" in relation to any Covered Bonds in any Member State of the EEA ~~or the United Kingdom~~ means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds and the expression "**Prospectus Regulation**" means Regulation 2017/1129/EU of the European Parliament and of the Council of 14 June 2017.

In addition to the foregoing, the following provisions shall apply in respect of the following Member States of the EEA ~~or the United Kingdom~~.

Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Covered Bonds include a legend entitled "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA ~~or in the United Kingdom~~. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of Directive 2016/97/EU, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an

investor to decide to purchase or subscribe the Covered Bonds.

United Kingdom

Prohibition of sales to UK Retail Investors

Unless the Final Terms in respect of any Covered Bonds specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom (the "UK"). For the purposes of this provision:

- (a) the expression "retail" investor means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

Public offer selling restriction under the UK Prospectus Regulation

If the Final Terms in respect of any Covered Bonds specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Covered Bonds to the public in the United Kingdom:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Covered Bonds referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Article 2 of the UK Prospectus Regulation.

For the purposes of this provision, the expression "**an offer of Covered Bonds to the public**" in relation to any Covered Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds and the expression "**UK Prospectus Regulation**" means the Prospectus Regulation (as defined below) as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be

required to represent and agree that:

- (8) in relation to any Covered Bonds which have a maturity of less than one (1) year, (i) it is a person whose ordinary activities involve acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Covered Bonds other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Covered Bonds would otherwise constitute a contravention of section 19 of the ~~Financial Services and Markets Act 2000 (the "FSMA")~~[FSMA](#) by the Issuer;
- (9) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Covered Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (10) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the United Kingdom."

GENERAL INFORMATION

Paragraphs 3, 4, 5, 6, 14 and 16 of the section entitled "*General Information*" on pages 166 to 168 of the Base Prospectus are modified as follows:

- "(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 ~~5-December-2019~~10 December 2020, the board of directors (*conseil d'administration*) of the Issuer has delegated, for a period of one year from ~~5-December-2019~~10 December 2020 to ~~4-December-2020~~9 December 2021 (included), to the Chief executive officer (*directeur général*) or, with the prior authorization of the Chief executive officer (*directeur général*), 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 ~~30-June~~31 December 2020.
- (5) There has been no significant change in the financial position of the Group since ~~30-June~~31 December 2020.
- (6) Save as disclosed in paragraph 1.5 entitled "*Risks related to the global economic environment*" of the section entitled "*Risk Factors*" on page 35 of the Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December ~~2019~~2020, subject to the impact of the coronavirus-related health crisis, the detailed consequences of which are difficult to assess as of the date hereof
- (14) So long as Covered Bonds (including German law Covered Bonds) are capable of being issued under the Programme, 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 at the specified office of the Paying Agent(s)~~ and, with respect to the documents listed in paragraphs (a), (b) and (e) below, on the website of Crédit Mutuel Arkéa (<http://www.arka.com>) :
- (a) the statutes of the Issuer
 - (b) the 2018 Annual Financial Report, the 2019 Annual Financial Report ~~and~~, the 2020 Interim Financial Report and the 2020 Annual Financial Report;
 - (c) the Agency Agreement (which includes the form of the Lettre Comptable, the Temporary Global Certificates, the Definitive Materialised Covered Bonds, the Coupons, the Talons, the form of terms and conditions of the German law Covered Bonds and the form of Assignment of the German law Covered Bonds);
 - (d) Final Terms for Covered Bonds that are listed on the Official List of the Luxembourg Stock Exchange and traded on the Regulated Market of the Luxembourg Stock Exchange or any

other Regulated Market in the EEA;

- (e) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus; and
 - (f) all reports, letters and other documents, historical financial information and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus.
- (16) Amounts payable under Floating Rate Covered Bonds will be calculated by reference to EURIBOR, LIBOR or EUR-CMS which are provided by the European Money Markets Institute ("EMMI") (with respect to EURIBOR) and ICE Benchmark Administration Limited ("ICE") (with respect to LIBOR and EUR-CMS) or other reference rates, as specified in the relevant Final Terms. As at the date of this Base Prospectus, EMMI and ICE appear on the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of the Benchmark Regulation (~~Regulation (EU) 2016/1011~~) ~~(the "Benchmark Regulation")~~ or on the Financial Conduct Authority's benchmarks administrators register under Article 36 of the Benchmarks Regulation as it forms part of UK domestic law by virtue of the EUWA. The relevant Final Terms will specify the administrator of any relevant benchmark used as a reference under the Floating Rate Covered Bonds and whether or not such administrator appears on the above mentioned register of administrators and benchmarks established and maintained by the ESMA or the FCA register referred to above."