

SUPPLEMENT N°2 DATED 23 MARCH 2021

TO THE BASE PROSPECTUS DATED 3 JULY 2020



Arkéa Public Sector SCF

(société de crédit foncier duly licensed as a French specialised credit institution)

€10,000,000,000

Euro Medium Term Note Programme

for the issue of obligations foncières and other privileged notes

This second supplement (the "**Supplement**") is supplemental to, and should be read in conjunction with, the base prospectus dated 3 July 2020, as supplemented by the first supplement to the base prospectus dated 16 October 2020 (together, the "**Base Prospectus**") prepared by Arkéa Public Sector SCF (the "**Issuer**") in relation to its €10,000,000,000 Euro Medium Term Note Programme (the "**Programme**") for the issue, from time to time, subject to compliance with all relevant laws, regulations and directives, of French law *obligations foncières* (the "**French law Privileged Notes**") or German law registered notes (together, the "**Privileged Notes**") which was approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority pursuant to the Regulation (EU) 2017/1129 of the European Parliament and of the Council dated 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "**Prospectus Regulation**") as a base prospectus for the purposes of Article 8 of the Prospectus Regulation on 3 July 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 Privileged Notes and the quality or solvency of the Issuer and such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the securities.

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

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

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

In accordance with Article 23.2 of the Prospectus Regulation, where the Privileged Notes are offered to the public, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within a time-limit of three business days after the publication of this Supplement (no later than 26 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 Privileged Notes, whichever occurs first. Investors may contact the Issuer or, if any, the relevant Authorised Offeror(s) should they wish to exercise the right of withdrawal.

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

- COVER PAGES;

- "GENERAL DESCRIPTION OF THE PROGRAMME" (pages 7 *et seq.* of the Base Prospectus);
- "RISK FACTORS" (pages 14 *et seq.* of the Base Prospectus);
- "SUPPLEMENT TO THE BASE PROSPECTUS" (page 35 of the Base Prospectus);
- "DOCUMENTS INCORPORATED BY REFERENCE" (pages 36 *et seq.* of the Base Prospectus);
- "TERMS AND CONDITIONS OF THE FRENCH LAW PRIVILEGED NOTES" (pages 38 *et seq.* of the Base Prospectus);
- "DESCRIPTION OF THE ISSUER" (pages 70 *et seq.* of the Base Prospectus);
- "FORM OF FINAL TERMS" (pages 78 *et seq.* of the Base Prospectus);
- "SUBSCRIPTION AND SALE" (pages 106 *et seq.* of the Base Prospectus); and
- "GENERAL INFORMATION" (pages 111 *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.

The amendments included in this Supplement shall only apply to final terms, the date of which falls on or after the approval of this Supplement.

This Supplement will be (a) published on the websites of (i) the Luxembourg Stock Exchange (www.bourse.lu) and (ii) Crédit Mutuel Arkéa (www.arkea.com/banque/assurance/credit/mutuel/ecb_5040/fr/public-sector-scf) 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

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

"Application may be made to the Luxembourg Stock Exchange for French law Privileged Notes issued under the Programme during a period of twelve (12) months after the date of the approval of this Base Prospectus to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments (as amended, "**MiFID II**"), appearing on the list of regulated markets of the European Securities and Markets Authority (each a "**Regulated Market**"). French law Privileged Notes may also be unlisted or listed or admitted to trading on any other market or stock exchange, including any other Regulated Market of any member state of the European Economic Area ("**EEA**") ~~or of the United Kingdom (the "**UK**")~~, and/or offered to the public pursuant to a non-exempt offer in accordance with the Prospectus Regulation in France. The relevant final terms in respect of the issue of any Privileged Notes (the "**Final Terms**") will specify whether or not French law Privileged Notes will be listed or admitted to trading on any market in any member state of the EEA ~~or in the UK~~ (and, if so, the relevant market) and/or offered to the public pursuant to a non-exempt offer in France. The German law Privileged Notes will not be admitted to trading nor listed on any market or stock exchange and will not be offered to the public pursuant to a non-exempt offer in any jurisdiction. **The approval by the CSSF of this Base Prospectus is only applicable for French law Privileged Notes to be listed and/or admitted to trading on a Regulated Market and/or offered to the public pursuant to a non-exempt offer in France, and is not relevant, in any case, for German law Privileged Notes, as German law Privileged Notes will not be listed or admitted to trading on any market or stock exchange, nor offered to the public pursuant to a non-exempt offer.**"

Penultimate paragraph of the second page of the Base Prospectus is modified as follows:

"Privileged Notes issued under the Programme are expected to be rated Aaa by ~~Moody's Investors Service Ltd~~ Moody's France SAS ("**Moody's**" or the "**Rating Agency**"). Tranches of Privileged Notes issued under the Programme may be rated or unrated. Where an issue of Privileged Notes is rated, the credit rating of the Privileged Notes will be specified in the relevant Final Terms. Such rating will not necessarily be the same as the rating assigned to other Privileged Notes issued under the Programme. The Rating Agency is established in the European Union, registered under Regulation (EC) no. 1060/2009 of the European Parliament and of the Council dated 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") and included in the list published on the European Securities and Markets Authority's website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) as of the date of this Base Prospectus in accordance with the CRA Regulation.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal by the assigning rating agency, at any time and without prior notice."

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

"MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Privileged Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Privileged Notes, taking into account the five (5) categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority on 5 February 2018, and which channels for distribution of the Privileged Notes are appropriate. Any person subsequently offering, selling or recommending the Privileged Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Privileged Notes (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 II Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID II Product Governance Rules**"), any Dealer subscribing for any Privileged Notes is a manufacturer as defined in MiFID II in respect of such Privileged Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Privileged Notes will include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Privileged Notes and which channels for distribution of the

Privileged Notes are appropriate. Any person subsequently offering, selling or recommending the Privileged Notes (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 Privileged Notes (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 Privileged Notes is a manufacturer in respect of such Privileged Notes, 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 REGULATION / PROHIBITION OF SALES TO EEA ~~AND UK~~ RETAIL INVESTORS - If the Final Terms in respect of any Privileged Note include a legend entitled "Prohibition of Sales to EEA ~~and UK~~ Retail Investors", the Privileged Notes 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 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 (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2016/97 (EU) of the European Parliament and of the Council dated 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 (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 of the European Parliament and of the Council dated 26 November 2014 on key information documents for packaged retail and insurance-based investment products (as amended, the "PRIIPs Regulation") for offering or selling the Privileged Notes or otherwise making them available to retail investors in the EEA ~~or in the UK~~ has been prepared and therefore offering or selling the Privileged Notes or otherwise making them available to any retail investor in the EEA ~~or in the UK~~ 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 Privileged Notes include a legend entitled "Prohibition of Sales to UK Retail Investors" as "Applicable", the Privileged Notes 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 Privileged Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Privileged Notes 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 "Approval, listing and Admission to Trading" of the section entitled "General Description of the Programme" on page 12 of the Base Prospectus is modified as follows:

"Approval, listing and Admission to Trading:

Application has been made to the *Commission de surveillance du secteur financier* (the "CSSF") in its capacity as competent authority under the Prospectus Regulation for approval of this document as a base prospectus. Application has been made for the delivery by the CSSF of a certificate of approval specifying that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation to the French *Autorité des marchés financiers*, as competent authority in France.

Application may be made for French law Privileged Notes issued under the Programme for the period of twelve (12) months from the date of this Base Prospectus to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market (as defined below) of the Luxembourg Stock Exchange and/or any other Regulated Market (as defined below) and/or to be offered to the public pursuant to a non-exempt offer in France in accordance with the Prospectus Regulation.

French law Privileged Notes may also be unlisted or listed and/or admitted to trading on any other market or stock exchange.

The relevant Final Terms will state whether or not the relevant French law Privileged Notes are to be listed and/or admitted to trading and, if so, the relevant market or stock exchange.

The German law Privileged Notes will neither be listed nor admitted to trading on any market or stock exchange.

"Regulated Market" means a regulated market located in a member state of the EEA ~~or in the UK~~ within the meaning of Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments and appearing on the list of regulated markets of the European Securities and Markets Authority."

Item entitled "Rating" of the section entitled "General Description of the Programme" on pages 12 and 13 of the Base Prospectus is modified as follows:

"Rating:

Tranches of Privileged Notes issued under the Programme may be rated or unrated. Where an issue of Privileged Notes is rated, the credit ratings of the Privileged Notes will be specified in the relevant Final Terms. Such rating will not necessarily be the same as the rating assigned to other Privileged Notes issued under the Programme. Privileged Notes issued under the Programme are expected on issue to be rated Aaa by ~~Moody's Investors Service Ltd~~ [Moody's France SAS](#) ("Moody's" or the "Rating Agency"). The Rating Agency is established in the European Union, registered under Regulation (EC) no. 1060/2009 of the European Parliament and of the Council dated 16 September 2009 on credit rating agencies, as amended (the "CRA Regulation") and included in the list published on the European Securities and Markets Authority's website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) [as of the date of this Base Prospectus](#) in accordance with the CRA Regulation.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal by the assigning rating agency at any time without notice."

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

"General Information:

This Base Prospectus, any supplement thereto that may be published from time to time and, so long as French law Privileged Notes are admitted to trading on any Regulated Market of any member state of the EEA ~~or of the UK~~ and/or offered to the public pursuant to a non-exempt offer in France in accordance with the Prospectus Regulation, the Final Terms relating to such French law Privileged Notes will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). In addition, if the French law Privileged Notes are listed and/or admitted to trading on a Regulated Market of the EEA other than the Luxembourg Stock Exchange ~~or of the UK~~, the relevant Final Terms will provide whether this Base Prospectus and the relevant Final Terms will be published on the websites of (i) the relevant Regulated Market or (ii) the relevant competent authority.

So long as any of the Privileged Notes are outstanding, copies of this Base Prospectus and various other documents will also be available for inspection and obtainable upon request and free of charge, during usual business hours on any weekday, at the registered office of the Issuer (1, rue Louis Lichou, 29480 Le Relecq-Kerhuon, France) and on the website of the Issuer (www.arkea.com/banque/assurance/credit/mutuel/ecb_5040/fr/public-sector-scf)."

RISK FACTORS

Risk factor entitled "*Credit rating of the Privileged Notes may be affected by various factors*" of paragraph 2 entitled "*Risks related to the Borrower*" of subsection I entitled "*Risks related to the Issuer*" of the section entitled "*Risk Factors*" on page 18 of the Base Prospectus is modified as follows:

"Credit rating of the Privileged Notes may be affected by various factors

Notes issued under the Programme are expected to be rated Aaa by ~~Moody's Investors Service Ltd~~ [Moody's France SAS](#). The credit rating of the Notes will be specified in the relevant Final Terms.

In the rating agencies' methodologies, the credit rating of a covered bond program is linked to the credit rating attributed to the issuer's parent. The rating criteria for the Issuer include both the financial health of its parent, the Borrower, as well as the strength of the support which is granted by the entities of the Group as Collateral Providers by way of the Collateral Security and various other structural features such as any Cash Collateral that aim to achieve a de-linkage between the rating of the Borrower and the rating of the Privileged Notes. Nevertheless, if the Collateral Security and the other support granted to the Issuer prove insufficient or fail to be granted to the Issuer in accordance with the agreements relating to the Programme, decreases in the credit rating of the Borrower may cause a decrease in the credit rating of the Privileged Notes. Furthermore, failure to meet any overcollateralisation requirement required by the Rating Agency may result not only in the occurrence of an Event of Default but also in a downgrade of the rating assigned to the Privileged Notes.

If the credit rating of the Privileged Notes were reduced due to these factors, such downgrade may adversely affect the value of the outstanding Privileged Notes and/or the ability of the Noteholders to sell the Privileged Notes, increase the Issuer's cost of borrowing and adversely affect the Issuer's ability to issue new Privileged Notes. As a result, investors could lose all or a substantial part of all their investments in the Notes."

Risk factor entitled "*Reform and regulation of "benchmarks"*" of sub-paragraph entitled "*Risks related to the interest payable in respect of the Privileged Notes*" of paragraph 2 entitled "*Risk related to the structure of a particular issue of Privileged Notes*" of sub-section II entitled "*Risks related to the Privileged Notes and the market*" of the section entitled "*Risk Factors*" on pages 29 and 30 of the Base Prospectus is modified as follows:

"Reform and regulation of "benchmarks"

Pursuant to Condition 6(c), Condition 6(d), Condition 6(f) or Condition 6(g) and where the relevant Final Terms for a Series of Floating Rate Privileged Notes and/or CMS Linked Privileged Notes identifies that the Rate of Interest on such Privileged Notes will be determined by reference to interest rates and indices which are deemed to be Benchmarks (such as EURIBOR, LIBOR or EUR CMS), potential investors should be aware that such Benchmarks have been the subject of recent international, national and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently from the past or disappear entirely, to be subject to revised calculation methods, or have other consequences that cannot be predicted. Any such consequence could have a material adverse effect on any Floating Rate Privileged Notes and/or CMS Linked Privileged Notes to or referencing any such Benchmarks.

Regulation (EU) 2016/1011 of the European Parliament and of the Council dated 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**") was published in the European official journal on 29 June 2016 with the majority of its provisions applying from 1 January 2018. The Benchmark Regulation (i) requires administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of Benchmarks (or, if non EU based, to be subject to equivalent requirements) and (ii) prevents certain uses by EU supervised entities of Benchmarks of administrators that are not authorised/registered (or, if non EU based, 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 Benchmark Regulation could have a material impact on any Floating Rate Privileged Notes and/or CMS Linked Privileged Notes traded on a trading venue or via a "systematic internaliser" linked to a Benchmark index. Notably, the methodology or other terms of the Benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level of the Benchmark. It could potentially lead to the [Floating Rate Privileged Notes and/or CMS Linked Privileged](#) Notes being de-listed,

adjusted or redeemed early or otherwise impacted depending on the particular Benchmark and the applicable terms of the [Floating Rate Privileged Notes and/or CMS Linked Privileged Notes](#) or have other material and adverse effects or unforeseen consequences.

More broadly, any of the international, national or regulatory reforms, or any enhanced regulatory scrutiny of Benchmarks, or any further uncertainty in relation to the timing and manner of implementation of such changes, 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 effect on certain Benchmarks (such as EURIBOR, LIBOR or EUR CMS) of (i) discouraging market participants from continuing to administer or contribute to the relevant Benchmark, (ii) triggering changes in the rules or the methodologies used in the relevant Benchmark or (iii) leading to the disappearance of the relevant Benchmark.

Any of the above changes or any other consequential changes as a result of international, national or other proposals for reform or other initiatives or investigations, could have a significant adverse effect on the market value of and return on any Privileged Notes linked to or referencing a Benchmark.

Potential investors should be aware that, if a benchmark were discontinued or otherwise unavailable, the rate of interest on Privileged Notes linked to or referencing such benchmark will be determined for the relevant period by the fall-back provisions applicable to such Privileged Notes (it being specified that in case of discontinuation of the Relevant Rate or occurrence of an Administrator/Benchmark Event, a specific fall-back shall apply - please refer to the risk factor entitled "*The discontinuance of the Relevant Rate or occurrence of an Administrator/Benchmark Event could have a material adverse effect on the value of and return on any such Privileged Notes linked to or referencing such Benchmarks*" below).

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 Privileged Notes linked to or referencing a Benchmark.

Depending on the manner in which a benchmark rate is to be determined under the Terms and Conditions, this may (i) if ISDA Determination or FBF Determination applies, be reliant upon the provision by reference banks of offered quotations for the benchmark rate which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when the benchmark was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Privileged Notes 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 harmonized 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.](#)

Risk factor entitled "*The discontinuance of the Relevant Rate or occurrence of an Administrator/Benchmark Event could have a material adverse effect on the value of and return on any such Privileged Notes linked to or referencing such Benchmarks*" of sub-paragraph entitled "*Risks related to the interest payable in respect of the Privileged Notes*" of paragraph 2 entitled "*Risk related to the structure of a particular issue of Privileged Notes*" of sub-section II entitled "*Risks related to the Privileged Notes and the market*" of the section entitled "*Risk Factors*" on pages 30 and 31 of the Base Prospectus is modified as follows:

"The discontinuance of the Relevant Rate or occurrence of an Administrator/Benchmark Event could have a material adverse effect on the value of and return on any such Privileged Notes linked to or referencing such Benchmarks"

In respect of CMS Linked Privileged Notes or, in respect of Floating Rate Privileged Notes, where FBF Determination, ISDA Determination or Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, if the Relevant Rate has been discontinued or an Administrator/Benchmark Event (as further described in Condition 6(e)) has occurred, the Rate of Interest on the

affected Floating Rate Privileged Notes will be changed in ways that may be adverse to holders of such Privileged Notes, without any requirement that the consent of such holders be obtained.

Pursuant to the terms and conditions of any applicable Floating Rate Privileged Notes in relation to which Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and/or CMS Linked Privileged Notes, in the event that an Administrator/Benchmark Event occurs, 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 Condition 6(e)), and may include concomitant changes to the terms and conditions of the relevant affected Privileged Notes necessary to make the Replacement Relevant Rate (as defined in Condition 6(e)) as comparable as possible to the Original Reference Rate, all as determined by the Relevant Rate Determination Agent.). Such Replacement Relevant Rate and any such other changes will (in the absence of manifest error) be final and binding on the Noteholders, the Issuer, the Calculation Agent, the Fiscal Agent and any other person and each Noteholder shall be deemed to have accepted the Replacement Relevant Rate and such related changes and adjustments which will thenceforth apply to the relevant affected Privileged Notes, unless they are deviated from by the Commission or the relevant national authority as mentioned below.

Given the uncertainty concerning the availability of Successor Rates or Alternative Rates, the involvement of a Relevant Rate Determination Agent and potential for further regulatory developments, the relevant fallback provisions may not operate as intended at the relevant time and the Replacement Relevant Rate may perform differently from the discontinued Benchmark. In addition, pursuant to Regulation (EU) 2021/168 of the European Parliament and of the Council of 10 February 2021 they may be deviated from if deemed unsuitable by the Commission or the relevant national authority.

If the Relevant Rate Determination Agent is unable to determine an appropriate Replacement Relevant Rate for any Relevant Rate on or prior to the next following Interest Determination Date (as defined in Condition 6(a)), then the provisions for the determination of the Rate of Interest on the relevant affected Privileged Notes will not be changed. In such cases, the Terms and Conditions of the Privileged Notes provide that the Rate of Interest on such Privileged Notes shall be the Rate of Interest determined on the previous Interest Determination Date, as determined by the Calculation Agent (i.e. which may result in the effective application of a fixed rate. In such circumstances and a rising interest rate environment, holders of Privileged Notes will, consequently, not benefit from any increase in rates. The trading value of such Privileged Notes could therefore be adversely affected.

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 Privileged Notes and/or CMS Linked Privileged Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Privileged Notes and/or CMS Linked Privileged Notes. Investors should note that the Relevant 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 commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholders, any such adjustment will be favourable to each Noteholder. "

SUPPLEMENT TO THE BASE PROSPECTUS

Second paragraph of the section entitled "*Supplement to the Base Prospectus*" on page 35 of the Base Prospectus is modified as follows:

"In accordance with Article 23.2 of the Prospectus Regulation, where the relevant Final Terms relate to an offer of Notes to the public, investors who have already agreed to purchase or subscribe French law Privileged Notes before the publication of the Supplement benefit from a withdrawal right within a time limit of ~~two (2)~~ three (3) working days after the publication of such Supplement if 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 French law Privileged Notes, whichever occurs first. That period may be extended by the Issuer or, if any, the relevant Authorised Offeror(s). The date on which the withdrawal period ends will be stated in the relevant Supplement. On 3 July 2021, this Base Prospectus, as supplemented (as the case may be), will expire and the obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies will no longer apply."

DOCUMENTS INCORPORATED BY REFERENCE

The section entitled "*Documents incorporated by reference*" on pages 36 and 37 of the Base Prospectus is modified as follows for the purposes of incorporating by reference in the Base Prospectus the 2020 Financial Statements (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 filed with the *Commission de surveillance du secteur financier* (the "CSSF") and which are incorporated by reference in, and shall be deemed to form part of, this Base Prospectus:

- the [French language](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-04/rapport-financier-annuel-arkea-public-sector-scf-31122018.pdf) 2018 financial statements of the Issuer for the year ended 31 December 2018 (the "**2018 Financial Statements**", <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2019-04/rapport-financier-annuel-arkea-public-sector-scf-31122018.pdf>) comprised of the statutory auditors' report thereon and the audited financial statements of the Issuer with respect thereto;
- the [French language](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-04/rapport_financier_annuel_2019_scf_signe.pdf) 2019 financial statements of the Issuer for the year ended 31 December 2019 (the "**2019 Financial Statements**", https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-04/rapport_financier_annuel_2019_scf_signe.pdf) comprised of the statutory auditors' report thereon and the audited financial statements of the Issuer with respect thereto; and
- the [French language](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2020-09/v1b-rapport_financier_semestriel_scf_30.06.20_final.pdf) unaudited financial statements of the Issuer as at, and for the six-month period ended, 30 June 2020 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_financier_semestriel_scf_30.06.20_final.pdf);
- [the French language 2020 financial statements of the Issuer for the year ended 31 December 2020 \(the "2020 Financial Statements"; https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2021-03/rfa_2020_scf_def_complet.pdf\)](https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2021-03/rfa_2020_scf_def_complet.pdf) comprised of the statutory auditors' report thereon and the audited financial statements of the Issuer with respect thereto;

and, for the purposes only of further issues of French law Privileged Notes to be assimilated (*assimilées* for the purpose of French law) and form a single Series with French law Privileged Notes already issued under the relevant EMTN Previous Terms and Conditions (as defined below):

- the section "*Terms and Conditions of the French law Privileged Notes*" contained on pages 24 to 49 of the base prospectus of the Issuer dated 31 August 2011 (which was approved by the CSSF in Luxembourg) (the "**2011 Conditions**", <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2014-06/prospectus-de-base-credit-mutuel-arkea-public-sector-scf-31082011.pdf>);
- the section "*Terms and Conditions of the French law Privileged Notes*" contained on pages 53 to 75 of the base prospectus of the Issuer dated 28 August 2015 (which was approved by the CSSF in Luxembourg) (the "**2015 Conditions**", <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2016-11/base-prospectus-arkea-public-sector-scf-28082015.pdf>);
- the section "*Terms and Conditions of the French law Privileged Notes*" contained on pages 53 to 75 of the base prospectus of the Issuer dated 14 October 2016 (which was approved by the CSSF in Luxembourg) (the "**2016 Conditions**", <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2016-11/base-prospectus-arkea-public-sector-scf-14102016.pdf>);
- the section "*Terms and Conditions of the French law Privileged Notes*" contained on pages 54 to 76 of the base prospectus of the Issuer dated 26 October 2017 (which was approved by the CSSF in Luxembourg) (the "**2017 Conditions**", <https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2017-10/base-prospectus-arkea-public-sector-scf-26102017.pdf>); and
- the section "*Terms and Conditions of the French law Privileged Notes*" contained on pages 78 to 103 of the base prospectus of the Issuer dated 26 November 2018 (which was approved by the CSSF in Luxembourg) (the "**2018 Conditions**" and together with the 2011 Conditions, the 2015 Conditions, the 2016 Conditions and the 2017 Conditions, the "**EMTN Previous Terms and Conditions**",

https://www.arkea.com/banque/assurance/credit/upload/docs/application/pdf/2018-11/arkea_ps_scf_base_prospectus_final.pdf).

To the extent that only the EMTN Previous Terms and Conditions are specified to be incorporated by reference therein, the non-incorporated parts of the previous base prospectuses are either not relevant for investors or are covered elsewhere in the Base Prospectus.

~~The Issuer declares that the free English translations of the 2018 Financial Statements and the 2019 Financial Statements are, to the best of its knowledge, fair and true translations of the French language original versions.~~

So long as any of the Privileged Notes are outstanding, all documents incorporated by reference in this Base Prospectus will be (i) available for inspection and obtainable, upon request and free of charge, during usual business hours, on any weekday at the registered office of the Issuer (1, rue Louis Lichou, 29480 Le Relecq-Kerhuon, France) and (ii) published (a) on the website of the Luxembourg Stock Exchange (www.bourse.lu) and/or (b) for at least ten (10) years from the date of their publication, on the website of the Issuer (www.arkea.com/banque/assurance/credit/mutuel/ecb_5040/fr/public-sector-scf).

Except for the EMTN Previous Terms and Conditions, the information incorporated by reference in this Base Prospectus shall be read in connection with the cross-reference list below.

Cross-reference list relating to the 2018 Financial Statements, the 2019 Financial Statements and the 2020 Interim Financial Report and 2020 Financial Statements¹

INFORMATION INCORPORATED BY REFERENCE (Annex 6 of the Delegated Regulation (EU) 2019/980 dated 14 March 2019)	REFERENCE			
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	2018 Financial Statements	2019 Financial Statements	2020 Interim Financial Report	2020 Financial Statements
<u>13.1 Historical financial information</u>				
-- Balance sheet	Page 22	Page 19	Page 4	Page 21
-- Income statement	Page 23	Page 20	Page 5	Page 22
-- Notes	Pages 24 to 30	Pages 21 to 28	Pages 6 to 13	Pages 25 to 30
-- Cash flow statement	Page 29	Page 27	Page 12	Page 29
-- Audit report from the auditors relating to the above	Pages 31 to 37	Pages 29 to 35	N/A	Pages 31 to 39
- Review report from the auditors relating to the above	N/A	N/A	Pages 14 to 16	N/A

"

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

TERMS AND CONDITIONS OF THE FRENCH LAW PRIVILEGED NOTES

The definition of "Regulated Market" in Condition 1 entitled "Definitions" of the section entitled "Terms and conditions of the French law Privileged Notes" on page 39 of the Base Prospectus is modified as follows:

"Regulated Market" means a regulated market located in a member state of the EEA ~~or in the UK~~ within the meaning of Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments (as amended, "MiFID II") and appearing on the list of regulated markets of the European Securities and Markets Authority."

The definition of "UK" in Condition 1 entitled "Definitions" of the section entitled "Terms and conditions of the French law Privileged Notes" on page 39 of the Base Prospectus is deleted.

~~"UK" means the United Kingdom."~~

Paragraph (e) entitled "Appointment of Agents" of Condition 8 entitled "Payments and Talons" of the section entitled "Terms and conditions of the French law Privileged Notes" on page 58 of the Base Prospectus is modified as follows:

"(e) Appointment of Agents

The Fiscal Agent, the Paying Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of the Base Prospectus relating to the Programme of the Privileged Notes of the Issuer. The Fiscal Agent, the Paying Agents and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, Registration Agent or Calculation Agent and to appoint other Fiscal Agent, Paying Agent(s), Registration Agent(s) or Calculation Agent(s) or additional Paying Agent(s), Registration Agent(s) or Calculation Agent(s), provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one (1) or more Calculation Agent(s) where the Conditions so require and provision is made for them in the relevant Final Terms, (iii) a Paying Agent having a specified office in at least one (1) major European city (including, so long as the Privileged Notes are admitted to trading on a Regulated Market of the EEA ~~or of the UK~~ and so long as the rules thereof so require, such city where the Privileged Notes are listed and/or admitted to trading), (iv) in the case of Dematerialised Privileged Notes in fully registered form, a Registration Agent and (v) such other agents as may be required by the rules of any other Regulated Market on which the Privileged Notes may be listed and/or admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Privileged Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the holders of Privileged Notes in accordance with Condition 15."

Paragraphs (a) and (b) of Condition 15 entitled "Notices" of the section entitled "Terms and conditions of the French law Privileged Notes" on page 63 of the Base Prospectus are modified as follows:

- "(a) Notices to the holders of Dematerialised Privileged Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth (4th) weekday (being a day other than a Saturday or a Sunday) after the date of mailing, or (ii) at the option of the Issuer, they are published in a leading daily financial newspaper of general circulation in Europe ~~(which is expected to be the Financial Times)~~ or, so long as such Privileged Notes are admitted to trading on any Regulated Market(s), in a leading daily financial newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Privileged Notes is/are admitted to trading, which in the case of the Luxembourg Stock Exchange's Regulated Market is expected to be the *Luxemburger Wort*, or (iii) so long as such Privileged Notes are admitted to trading on any Regulated Market and the rules of such Regulated Market so permit, on the website of the Regulated Market where the admission is sought, which in the case of the Luxembourg Stock Exchange is expected to be the website of the Luxembourg Stock Exchange (www.bourse.lu).
- (b) Notices to the holders of Materialised Privileged Notes and Dematerialised Privileged Notes in bearer form (*au porteur*) shall be valid if published in a leading daily financial newspaper of general circulation in Europe ~~(which is expected to be the Financial Times)~~ or, so long as such Privileged Notes are admitted to

trading on any Regulated Market(s), in a leading daily financial newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Privileged Notes is/are admitted to trading, which in the case of the Luxembourg Stock Exchange's Regulated Market is expected to be the *Luxemburger Wort* or, so long as such Privileged Notes are admitted to trading on any Regulated Market and the rules of such Regulated Market so permit, on the website of the Regulated Market where the admission is sought, which in the case of the Luxembourg Stock Exchange is expected to be the website of the Luxembourg Stock Exchange (www.bourse.lu)."

DESCRIPTION OF THE ISSUER

Sub-paragraph entitled "Funding of the advances" of paragraph entitled "Business overview" of the section entitled "Description of the Issuer" on page 74 of the Base Prospectus is amended as follows:

"Funding of the advances"

Advances made by the Issuer will be financed by debt benefiting from the *Privilège* described in Section "Main features of the legislation and regulations relating to sociétés de crédit foncier", which includes Privileged Notes or other resources, expressly providing for in the relevant agreement that they benefit from the *Privilège*. These other resources benefiting from the *Privilège* include registered notes governed by German law, which are designed for German institutional investors and subject to private placement.

As of 1st July 2020, the Issuer's subordinated debt ("*dettes subordonnées*") amounted to €0 and the nominal amount of all outstanding Notes issued by the Issuer amounted to €2,077,600,000 of principal and €26,358,235.37 of interests. Such Notes are scheduled to mature no later than 19 October 2046.

The Privileged Notes are expected to be rated Aaa by ~~Moody's Investors Service Ltd~~ [Moody's France SAS](#) ("**Moody's**") and to be listed on the Official List of the Luxembourg stock exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. By offering to the market such Aaa rated Privileged Notes, which are a reflection, among other factors, of the intrinsic quality of the assets of the Issuer, the Issuer aims to increase the competitiveness of the Group. By providing the market with an additional counterparty (in addition to Crédit Mutuel Arkéa), the Issuer should increase the Group's investor base.

The credit ratings address, in respect of Moody's, the expected loss which the investors are exposed to in respect of the Privileged Notes."

Paragraph entitled "Management of the Issuer" of the section entitled "Description of the Issuer" on pages 74 to 76 of the Base Prospectus is amended as follows:

"Management of the Issuer"

The Issuer is administrated by a board of directors (*Conseil d'administration*).

The chairman, the chief executive officer and the vice chief executive officer

~~Mrs. Anne LE GOFF~~ [Mr. Marc PARADIS](#), chairman of the board of directors (*président du conseil d'administration*), Mr. ~~Jean-Luc LE PACHE~~ [Philippe BAUDA](#), chief executive officer (*directeur général*) and Mr. ~~Philippe BAUDA~~ [Julien LE CALVEZ](#), vice chief executive officer (*directeur général délégué*) are responsible for the conduct of the Issuer's activities vis-à-vis the French financial regulator in accordance with Article L.511-13 of the French Monetary and Financial Code.

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. The chairman of the board of directors (*président du conseil d'administration*) ensures the efficient functioning of the board of directors (*conseil d'administration*).

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 Programme Date, the board of directors (*conseil d'administration*) consists of eight (8) members.

Name and Position

Date of appointment

~~Mrs. Anne LE GOFF~~ [Mr. Marc PARADIS](#)

Chairman of the board of directors

~~1st February 2018~~ [10 December 2020](#)

Crédit Mutuel Arkéa

Represented by Mr. ~~Jean-Luc LE PACHE~~ [Philippe BAUDA](#)

Chief executive officer and effective manager

~~10 October 2008~~ [4 March 2021](#)

Mr. ~~Philippe BAUDA~~ [Julien LE CALVEZ](#)

Deputy chief executive officer and effective manager

~~7 March 2019~~ 4 March 2021

Arkéa Banque Entreprises et Institutionnels

Represented by Mr. Bertrand BLANPAIN

22 October 2010

Mr. Jérôme BEZARD

13 April 2018

Mr. Pierrick LE DRO

13 April 2018

~~Mrs. Anne LE GOFF~~ Mr. Marc PARADIS, chairman of the board of directors, is also ~~Head of Support and Development division (directeur du pôle supports au développement) and vice chief executive officer (directeur général 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 and effective manager 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~~ chief executive officer (directeur général) of Arkéa Home Loans SFH and head of financial management control (directeur de la direction du pilotage financier) of Crédit Mutuel Arkéa.

Mr. ~~Philippe BAUDA~~ Julien LE CALVEZ, deputy chief executive officer and effective manager of the Issuer, is also ~~head of financial management control (directeur de la direction pilotage financier) of Crédit Mutuel Arkéa~~ vice chief executive officer (directeur général délégué) of Arkéa Home Loans SFH.

Mr. Bertrand BLANPAIN is also Head of the companies and institutions division (*directeur chargé du pôle Entreprises et institutionnels*) and chairman of the management board (*président du directoire*) of Arkéa Banque Entreprises et Institutionnels.

Mr. Jérôme BEZARD is also chairman of the board of directors (*président du conseil d'administration*) of a *Caisse locale* (the *Caisse locale de Broons-Jugon*).

Mr. Pierrick LE DRO is also member of the supervisory board (*membre du conseil de surveillance*) of Arkéa Foncière, member of the board of directors (*membre du conseil d'administration*) 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*).

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.

The board of directors (*conseil d'administration*) shall carry out the inspections and verifications which it considers appropriate. The chairman of 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.

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 chairman (*président*), nor by any chief executive officer (*directeur général*) whatsoever, without the prior consent of the board of directors (*conseil d'administration*). Such provisions of the by-laws of the Issuer restricting the actions of the chairman (*président*) or the chief executive officer (*directeur général*) may take are not enforceable against third parties.

The Issuer identified no potential conflicts of interests between the duties to it by the members of the board of directors, their private interests and any other duties."

FORM OF FINAL TERMS

Cover page of section entitled "*Forms of final terms*" on pages 78 and 79 of the Base Prospectus is modified as follows:

"[PRIIPs REGULATION / PROHIBITION OF SALES TO EEA ~~AND UK~~ RETAIL INVESTORS – The French law Privileged Notes 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 (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 (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments, (as amended, "**MiFID II**") ; (ii) a customer within the meaning of Directive 2016/97 (EU) of the European Parliament and of the Council dated 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 (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in 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**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the French law Privileged Notes or otherwise making them available to retail investors in the EEA ~~or in the UK~~ has been prepared and therefore offering or selling the French law Privileged Notes or otherwise making them available to any retail investor in the EEA ~~or in the UK~~ may be unlawful under the PRIIPs Regulation.]²

[UK PRIIPs REGULATION / PROHIBITION OF SALES TO UK RETAIL INVESTORS – The French Law Privileged Notes 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 French Law Privileged Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the French Law Privileged Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]³

[⁴MiFID 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 French law Privileged Notes taking into account the five categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority on 5 February 2018 has led to the conclusion that: (i) the target market for the French law Privileged Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments (as amended, "**MiFID II**") / MiFID II]; and (ii) all channels for distribution of the French law Privileged Notes to eligible counterparties and professional clients are

² Legend to be included if (i) the French law Privileged Notes potentially constitute "packaged" products and no key information document will be prepared or (ii) the Issuer wishes to prohibit offers to EEA ~~and UK~~ retail investors for any other reason, in which case the "Prohibition of Sales to EEA ~~and UK~~ Retail Investors" in Part A, item ~~28~~³⁰ should also be specified to be "Applicable".

³ Legend to be included if (i) the French law Privileged Notes potentially constitute "packaged" products and no key information document will be prepared or (ii) the Issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the "Prohibition of Sales to UK Retail Investors" in Part A, item 31 should also be specified to be "Applicable".

⁴ Legend to be included following completion of the target market assessment in respect of the French law Privileged Notes taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018.

appropriate. [*Consider any negative target market*]⁵. Any person subsequently offering, selling or recommending the French law Privileged Notes (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 French law Privileged Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.⁶].

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 French law Privileged Notes has led to the conclusion that: (i) the target market for the French law Privileged Notes 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 French law Privileged Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]⁷. Any person subsequently offering, selling or recommending the French law Privileged Notes (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 French law Privileged Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.⁸

OR

[⁹MiFID II PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ECPs TARGET MARKET – Solely for the purposes of [the/each] manufacturer['s/s'] product approval process, the target market assessment in respect of the French law Privileged Notes 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 French law Privileged Notes is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (as amended, "**MiFID II**") / MiFID II]; **EITHER** ¹⁰[and (ii) all channels for distribution of the French law Privileged Notes are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]¹¹ **OR** ¹²[(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the French law Privileged Notes 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*]¹³. Any person subsequently

⁵ 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 French Law Privileged Notes 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]."

⁶ ~~Legend to be included if the French law Privileged Notes are not intended to be sold for retail clients.~~

⁷ 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 French law Privileged Notes 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]."

⁸ ~~Legends to be included if the French law Privileged Notes are not intended to be sold to retail clients.~~

⁹ Legend to be included following completion of the target market assessment in respect of the French law Privileged Notes taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018.

¹⁰ Include for ~~notes~~ French law Privileged Notes that are not ESMA complex bonds.

¹¹ This list may not be necessary, especially for ~~notes~~ French law Privileged Notes 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.

¹² Include for certain ESMA complex ~~notes~~ French law Privileged Notes. 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 French law Privileged Notes constitute "complex" products, pure execution services are not permitted to retail investors without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

¹³ 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 French law

offering, selling or recommending the French law Privileged Notes (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 French law Privileged Notes (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.]

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 French law Privileged Notes has led to the conclusion that: (i) the target market for the French law Privileged Notes 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**¹⁴ [and (ii) all channels for distribution of the Privileged Notes are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]¹⁵] **OR** ¹⁶[(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the French law Privileged Notes 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*]¹⁷. Any person subsequently offering, selling or recommending the Privileged Notes (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 Privileged Notes (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].¹⁸

[The following language applies only where a Non-Exempt Offer is contemplated.]

[Any person making or intending to make an offer of the French law Privileged Notes may only do so:

- (i) in the Non-Exempt Offer Jurisdiction (as mentioned in Part B – paragraph 13), provided that such person is an Authorised Offeror (as mentioned in Part B – paragraph 13) and that such offer is made during the Offer Period (as mentioned in Part B – paragraph 13) and that any conditions relevant to the use of the Base Prospectus are complied with; or
- (ii) otherwise in circumstances in which the Issuer or any Dealer does not have to publish a prospectus pursuant to Article 3 of the Prospectus Regulation (as defined below) or a supplement to a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of French law Privileged Notes in any other circumstances.]"

Privileged Notes 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]."

¹⁴ Include for French law Privileged Notes that are not ESMA complex (in the UK context, as reflected in COBS).

¹⁵ This list may not be necessary, especially for French law Privileged Notes that are not ESMA complex (in the UK context, as reflected in COBS) where all channels of distribution may be appropriate. It reflects the list used in the examples in the ESMA Guidelines.

¹⁶ Include for certain ESMA complex French law Privileged Notes (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 French law Privileged Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness.

¹⁷ 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 French law Privileged Notes 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]."

¹⁸ Legends to be included if the French law Privileged Notes are intended to be sold to retail clients.

Item 28 entitled "*Prohibition of Sales to EEA and UK Retail Investors*" of Part A of the section entitled "*Forms of final terms*" on page 97 (which should have been numbered as being item 30) of the Base Prospectus is modified as follows:

"2830 Prohibition of Sales to EEA and UK Retail Investors¹⁹: [Not Applicable/Applicable]

(If the French law Privileged Notes clearly do not constitute "packaged" products or the French law Privileged Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the French law Privileged Notes may constitute "packaged" products and no KID will be prepared in the EEA, "Applicable" should be specified.)"

The following item 31 entitled "*Prohibition of Sales to UK Retail Investors*" is added after item 28 entitled "*Prohibition of Sales to EEA and UK Retail Investors*" of Part A of the section entitled "*Forms of final terms*" on page 97 of the Base Prospectus:

"31. Prohibition of Sales to UK Retail Investors²⁰: [Not Applicable/Applicable]

(If the French law Privileged Notes clearly do not constitute "packaged" products or the French law Privileged Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the French law Privileged Notes may constitute "packaged" products and no KID will be prepared in the UK, "Applicable" should be specified.)"

Item 2 entitled "*Rating*" of Part B of the section entitled "*Forms of final terms*" on page 99 of the Base Prospectus is modified as follows:

"2. RATING

Ratings:

[Not Applicable / The French law Privileged Notes [have been / are expected to be] rated:

~~[Moody's Investors Service Ltd]~~ Moody's France SAS:
[●]]

(The above disclosure should reflect the rating allocated to French law Privileged Notes of the type being issued under the Programme generally or,

¹⁹ 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, (ii) a customer within the meaning of ~~Directive 2016/97/EU, as amended~~ 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 (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in the Prospectus Regulation.

²⁰ 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.

where the issue has been specifically rated, that rating.)

[The rating agency is established in the European Union, registered under ~~Regulation (EC) No. 1060/2009 of the European Parliament and of the Council dated 16 September 2009 on credit rating agencies, as amended~~ Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation") and included in the list of registered credit rating agencies published on the European Securities and Markets Authority's website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. / The Rating Agency is established in the United Kingdom, registered in accordance with Regulation (EC) No. 1060/2009 (as amended) [(the "CRA Regulation")] as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "UK CRA Regulation") and included in the list of credit rating agencies published by the Financial Conduct Authority on its website (<https://register.fca.org.uk>) in accordance with the UK CRA Regulation [but is endorsed by [●]] which is established in the European Union, registered under 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>)]. / The Rating Agency is not established in the European Union and has not applied for registration under the Regulation (EC) No 1060/2009 (as amended) (the "CRA Regulation"), [but is endorsed by [●]] which is established in the European Union, registered under 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>)]. / Not Applicable]

[[●]] (Include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider (i.e. "According to Moody's rating system, obligations rated "Aaa" are judged to be of the highest quality, subject to the lowest level of credit risk.")/]"

Item 5 entitled "Notification" of Part B of the section entitled "Forms of final terms" on page 100 of the Base Prospectus is modified as follows:

5. NOTIFICATION

[Applicable / Not Applicable]

(if not applicable, delete the remaining subparagraph of this paragraph)

The *Commission de surveillance du secteur financier*, which is the Luxembourg competent authority for the purpose of the Prospectus Regulation [has been requested to provide / has provided - include first alternative for an issue which

is contemporaneous with the update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host member states of the EEA ~~or of the UK~~] with [a] certificate[s] of approval attesting that the Base Prospectus [and the supplement(s) to the Base Prospectus [has / have] been drawn up in accordance with the Prospectus Regulation.

Item entitled "Benchmarks" of item (8) entitled "Floating Rate Privileged Notes or CMS Linked Privileged Notes only – past and future performance of interest rate" of Part B of the section entitled "Forms of final terms" on page 102 of the Base Prospectus is modified as follows:

"Benchmarks:

Amounts payable under the Privileged Notes will be calculated by reference to [EURIBOR/LIBOR/(other)] 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 Regulation (EU) 2016/1011 dated 8 June 2016 (the "**Benchmark Regulation**") / [the Financial Conduct Authority in the United 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/ ICE Benchmark Administration Limited] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]"

SUBSCRIPTION AND SALE

Paragraph entitled "*European Economic Area and UK*" of the section entitled "*Subscription and sale*" on pages 107 of the Base Prospectus is modified as follows:

"European Economic Area ~~and UK~~

Public offer selling restriction under the Prospectus Regulation

If the Final Terms in respect of any Privileged Notes specify "Prohibition of Sales to EEA ~~and 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 Privileged Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Final Terms to the public in a member state of the European Economic Area ~~or the United Kingdom~~ (each a "**Relevant Member State**") except that it may make an offer of such Privileged Notes to the public in France:

- (a) if the Final Terms in relation to the Privileged Notes specify that an offer of those Privileged Notes may be made other than pursuant to Article 1(4) of 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**") in France (a "**Non-Exempt Offer**"), following the date of publication of a base prospectus in relation to such Privileged Notes which has been approved by the competent authority in a France or, where appropriate, approved in another Relevant Member State and notified to the competent authority in France, provided that any such base prospectus has subsequently been completed by the Final Terms contemplating such Non-Exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such base prospectus or Final Terms, as applicable;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) 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
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Privileged Notes referred to in paragraphs (b) to (d) 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.

Prohibition of sales to EEA ~~and UK~~ retail investors

If the Final Terms in respect of any Privileged Notes specifies the "Prohibition of Sales to EEA ~~and UK~~ Retail Investors" as "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 Privileged Notes 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 European Economic Area.

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 Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014 on markets in financial instruments (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive 2016/97 (EU) of the European Parliament and of the Council dated 20 January 2016 on insurance distribution, 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 Privileged Notes to be offered so as to enable an investor to decide to purchase or subscribe the Privileged Notes."

Paragraph entitled "United Kingdom" of the section entitled "Subscription and sale" on pages 107 and 108 of the Base Prospectus is modified as follows:

"United Kingdom"

Prohibition of sales to UK Retail Investors

Unless the Final Terms in respect of any Privileged Notes 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 Privileged Notes 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 Privileged Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Privileged Notes.

Public offer selling restriction under the UK Prospectus Regulation

If the Final Terms in respect of any Privileged Notes 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 Privileged Notes 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 Privileged Notes to the public in the United Kingdom:

- (b) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (c) 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
- (d) at any time in any other circumstances falling within section 86 of the FSMA.

provided that no such offer of Privileged Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA²¹ 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 Privileged Notes to the public" in relation to any Privileged Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Privileged Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Privileged Notes 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.

²¹ The cornerstone provisions of the UK prospectus regime are set out in Article 3 UK Prospectus Regulation and in section 85 FSMA. Section 85 FSMA has been used here, as it is where the criminal offence lies. It also ties in with the use of section 86 FSMA (which not only cross-refers to the Article 1(4) UK Prospectus Regulation exemptions, but also includes the €8,000,000 exemption).

Other regulatory restrictions

Each Dealer has represented and agreed that:

- (a) in relation to any Privileged Notes which have a maturity of less than one (1) year, (i) it is a person whose ordinary activities involve it in 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 Privileged Notes 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 that they will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Privileged Notes would otherwise constitute a contravention of section 19 of the ~~Financial Services and Markets Act 2000, as amended (the "FSMA")~~ FSMA by the Issuer;
- (b) 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 Privileged Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Privileged Notes in, from or otherwise involving the United Kingdom."

GENERAL INFORMATION

Paragraphs 1, 3, 6, 7, 14 and 15 of the section entitled "*General Information*" on pages 111 to 113 of the Base Prospectus are modified as follows:

- "(1) This Base Prospectus has been approved by the Commission de surveillance du secteur financier (the "CSSF"), as competent authority in Luxembourg for the purposes of 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"). The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Privileged Notes that are the subject of this Base Prospectus and investors should make their own assessment as to the suitability of investing in the [Privileged](#) Notes. This Base Prospectus has not been submitted to the clearance procedures of the French Autorité des marchés financiers.

Application will be made in certain circumstances to the Luxembourg Stock Exchange for French law Privileged Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange.

In accordance with Article 25 of the Prospectus Regulation, request may also be made for the notification of a certificate of approval to any competent authority of any Member State of the European Economic Area ("EEA") ~~or in the United Kingdom (the "UK")~~ in order for French law Privileged Notes to be admitted to trading on any other Regulated Market of the EEA ~~or the UK~~ or to be offered to the public pursuant to a non-exempt offer in France in accordance with the Prospectus Regulation. Application has been made for the delivery by the CSSF of a certificate of approval specifying that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation to the French Autorité des marchés financiers, as competent authority in France.

- (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 Privileged Notes under the Programme, to the extent that such Privileged Notes constitute obligations under French law, requires the prior authorisation of the board of directors (conseil d'administration) of the Issuer. The board of directors (conseil d'administration) of the Issuer may delegate to any person, the power to decide on the issue of such Privileged Notes within a period of one (1) year.

For this purpose, on ~~5 December 2019~~ [10 December 2020](#), the board of directors (conseil d'administration) of the Issuer has (i) authorised the issue of *obligations foncières* and other privileged notes under the Programme for maximum nominal amount of €1,000,000,000 (or its equivalent in any other currency) for the period running from ~~5 December 2019~~ [10 December 2020](#) and ending on ~~4 December 2019~~ [9 December 2021](#) (included) and (ii) delegated to the chief executive officer (*directeur général*) and the vice chief executive officer (*directeur général délégué*) of the Issuer the power to issue such Privileged Notes.

- (6) There has been no significant change in the financial position or financial performance of the Issuer or the Group since ~~31 December 2019~~ [31 December 2020](#), subject to the impact of the COVID-19 health crisis, the consequences of which are difficult to assess as of the date hereof.
- (7) There has been no material adverse change in the prospects of the Issuer since ~~31 December 2019~~ [31 December 2020](#), subject to the impact of the COVID-19 health crisis, the consequences of which are difficult to assess as of the date hereof.
- (8) The Issuer is not nor has been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), in the last twelve (12) months, which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.
- (14) This Base Prospectus, any supplement thereto that may be published from time to time and, so long as French law Privileged Notes are admitted to trading on any Regulated Market of the EEA ~~or in the UK~~ and/or offered to the public pursuant to a non-exempt offer in France in accordance with the Prospectus Regulation, the Final Terms relating to such French law Privileged Notes will be published on the websites of the Luxembourg Stock Exchange (www.bourse.lu) and the Issuer (www.arkea.com/banque/assurance/credit/mutuel/ecb_5040/fr/public-sector-scf).

In addition, if the French law Privileged Notes are admitted to trading on a Regulated Market of the EEA other than the Luxembourg Stock Exchange ~~or of the UK~~, the relevant Final Terms will provide whether this Base Prospectus and the relevant Final Terms will be published on the website of (x) such Regulated Market or (y) the competent authority of the member state of the EEA where the French law Privileged Notes have been admitted to trading ~~or of the UK~~."

- (~~15~~16) Amounts payable under Privileged Notes may 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, the EMMI and ICE appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) no. 2016/1011 of the European Parliament and of the Council dated 8 June 2016 or in the FCA's register of administrators under Article 36 of Benchmarks Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018. The relevant Final Terms will specify the administrator of any relevant benchmark used as a reference under the Floating Rate Privileged Notes and whether or not such administrator appears on the above-mentioned register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.