



(a *société anonyme* incorporated in France)

€5,000,000,000

## Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme (the “**Programme**”) described in this document (the “**Base Prospectus**”), Arkema, (“**Arkema**” or the “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the “**Notes**”). The Notes may be issued as senior unsecured notes (the “**Unsubordinated Notes**”) or as dated or undated (a) ordinary subordinated notes (the “**Ordinary Subordinated Notes**”) or (b) deeply subordinated notes (the “**Deeply Subordinated Notes**”), in each case, as specified in the relevant Final Terms (the Deeply Subordinated Notes and/or the Ordinary Subordinated Notes, the “**Subordinated Notes**”). The aggregate nominal amount of Notes outstanding will not at any time exceed €5,000,000,000 (or the equivalent in other currencies) and may be denominated in certain currencies. The Notes will be issued in such denomination(s) as may be agreed between the Issuer and the relevant Dealer and as specified in the relevant Final Terms save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market in a Member State of the European Economic Area (“**EEA**”) in circumstances which require the publication of a Base Prospectus under the Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”) (given that any exemption regime, as set out in the Prospectus Regulation, could apply in contemplation of the relevant issue) will be at least €100,000 (or the equivalent amount in any other currency).

This Base Prospectus supersedes and replaces the Base Prospectus dated 26 April 2023 and shall be in force for a period of one year as of the date set out hereunder. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

This Base Prospectus has been approved by the *Autorité des marchés financiers* (the “**AMF**”) in France in its capacity as competent authority under the Prospectus Regulation. The AMF 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 Notes that are the subject of this Base Prospectus and investors should make their own assessment as to the suitability of investing in the Notes.

Application may be made to Euronext Paris for the period of 12 months from the date of the approval of this Base Prospectus by the AMF for Notes issued under the Programme to be listed and admitted to trading on Euronext Paris and/or to the competent authority of any other Member State of the EEA for Notes issued under the Programme to be listed and admitted to trading on a Regulated Market (as defined below) in such Member State. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU, as amended (a “**Regulated Market**”).

However, Notes that are not listed and admitted to trading on a Regulated Market may also be issued pursuant to the Programme.

The relevant final terms (the “**Final Terms**”) (a form of which is contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading and if so, the relevant Regulated Market in the EEA.

Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”), as more fully described herein.

Dematerialised Notes may, at the option of the Issuer, be (a) in bearer dematerialised form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Account Holders (as defined in “Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination”) including Euroclear Bank SA/NV (“**Euroclear**”) and the depository bank for Clearstream Banking, S.A. (“**Clearstream**”) or (b) in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in Condition 1(c)(iv)), in either fully registered form (*au nominatif pur*), in which case they will be inscribed either with the Issuer or with the registration agent (designated in the relevant Final Terms) for the Issuer, or in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholders.

Dematerialised Notes will at all times be in book entry form in compliance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes.

Materialised Notes will be in bearer form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a “**Temporary Global Certificate**”) will initially be issued in connection with Materialised Notes. Such Temporary Global Certificate will subsequently be exchanged for definitive Materialised Notes in bearer form with, where applicable, coupons for interest and talons attached on or after a date expected to be on or about the 40th day after the issue date of the Notes (subject to postponement as described in “Temporary Global Certificates issued in respect of Materialised Bearer Notes”) upon certification as to non-U.S. beneficial ownership as more fully described herein.

Temporary Global Certificates will (a) in the case of a Tranche (as defined below) intended to be cleared through Euroclear and/or Clearstream, be deposited on the issue date with a common depository on behalf of Euroclear and/or Clearstream and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer(s) (as defined below).

The Issuer’s long-term debt is currently rated BBB+ (positive outlook) by S&P Global Ratings Europe Limited (“**S&P**”) and Baa1 (stable outlook) by Moody’s Deutschland GmbH (“**Moody’s**”), each of S&P and Moody’s is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended) (the “**CRA Regulation**”). As such, each of S&P and Moody’s is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)) as of the date of this Base Prospectus. Notes to be issued under the Programme may or may not be rated. The rating, if any, will be specified in the relevant Final Terms. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating assigned to the Issuer. The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The final terms of the relevant Notes will be determined at the time of the offering of each Tranche based on the then prevailing market conditions and will be set out in the relevant Final Terms.

This Base Prospectus, any document containing information incorporated by reference in this Base Prospectus, any supplement to this Base Prospectus and the Final Terms related to Notes that are listed and admitted to trading on any Regulated Market in the EEA will be available for viewing on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)), on the Issuer’s website ([www.arkema.com](http://www.arkema.com)) and may be obtained, during normal business hours at the specified offices of the Fiscal Agent and each of the Paying Agents (as defined herein).

**Prospective investors should carefully review and consider the section of this Base Prospectus entitled “Risk Factors” prior to purchasing any Notes.**

**Arranger  
NATIXIS  
Dealers**

**BNP PARIBAS  
Crédit Agricole CIB  
Helaba  
NATIXIS**

**Citigroup  
CIC Market Solutions  
J.P. MORGAN  
Société Générale Corporate & Investment Banking**

**Standard Chartered Bank AG**

## IMPORTANT NOTICE

*This document constitutes a base prospectus for the purpose of Article 8 of the Prospectus Regulation and for the purpose of giving information with regard to the Issuer, its subsidiaries and its shareholdings taken as a whole (the “**Group**”) and the Notes which, according to the particular nature of the Issuer and the Notes, contains the necessary information which is material to investors for making an informed assessment of the assets and liabilities, profits and losses, financial position, and prospects of the Issuer, the rights attaching to the Notes and the reason for the issuance and its impact on the Issuer.*

*This Base Prospectus should be read and construed in conjunction with any supplement hereto and with any other documents incorporated by reference (see “**Documents Incorporated by Reference**”), each of which shall be incorporated in, and form part of this Base Prospectus in relation to any Series (as defined herein) of Notes, should be read and construed together with the Base Prospectus and the Final Terms being together, the “**Prospectus**”.*

*The information on any websites included in this Base Prospectus do not form part of this Base Prospectus unless that information is incorporated by reference into the Base Prospectus. No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, or any of the Dealers or the Arranger (each as defined in the “General Description of the Programme”). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or of the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.*

*Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.*

*A prospective investor may not rely on the Issuer or the Dealer(s) or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.*

*None of the Issuer, the Dealer(s) or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.*

*None of the Issuer, the Dealer(s) or any of their respective affiliates makes any representation as to the Inflation Indices (as defined herein). Any of such persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to the Inflation Indices that is or may be material in the context of Inflation Linked Notes. The issue of Inflation Linked Notes will not create any obligation on the part of any such persons to disclose to the Noteholders or any other party such information (whether or not confidential).*

*The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. No Notes may be offered or sold, directly or indirectly, and none of this Base Prospectus, any Final Terms or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus*

comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the EEA, the United States, the United Kingdom, Japan, France, Hong-Kong, PRC and Singapore. For a description of certain restrictions on offers and sales of Notes and distribution of this Base Prospectus, see “**Subscription and Sale**” below.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – If the Final Terms in respect of any Notes include a legend entitled “Prohibition of Sales to EEA Retail Investors”, the 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**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – If the Final Terms in respect of any Notes include a legend entitled “Prohibition of Sales to UK Retail Investors”, the 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 (“**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 Regulation (EU) No 2017/565 as it forms part of UK 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 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – The Final Terms in respect of any Notes will include a legend entitled “MiFID II product governance” which will outline the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 19 of the Guidelines published by the European Securities and Markets Authority (“**ESMA**”) on 3 August 2023 which will lead to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**” as defined in MiFID II) 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 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 Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID II Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer as defined in MiFID II in respect of such 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. For the avoidance of doubt, the Issuer is not a MiFID II regulated entity and does not qualify as a distributor or a manufacturer under MiFID II Product Governance Rules.*

**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – *The Final Terms in respect of any Notes may include a legend entitled “UK MiFIR product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the 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 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 Notes is a manufacturer in respect of such 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.*

**SINGAPORE SFA PRODUCT CLASSIFICATION** – *In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

*Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor.*

*A number of Member States of the European Union are currently negotiating to introduce a financial transactions tax (“FTT”) in the scope of which transactions in the Notes may fall. The scope of any such tax is still uncertain as well as any potential timing of implementation. If the currently discussed text or any similar tax is adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.*

*A rating assigned to the Notes by any rating agency is based on the Issuer’s financial situation, but takes into account other relevant structural features of the transaction, including, inter alia, the terms of the Notes, and reflects only the views of the rating agency. The rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this paragraph, and other factors that may affect the value of the Notes. The rating addresses the likelihood of full and timely payment to the Noteholders of all payments of interest on each interest payment date and repayment of principal on the final payment date. There is no assurance that any such rating will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the rating agency as a result of changes in or unavailability of information or if, in the rating agency’s judgement, circumstances so warrant. A credit rating and/or a corporate rating are not a recommendation to buy, sell or hold securities. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes.*

*This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Dealers or the Arranger to subscribe for, or purchase, any Notes.*

*The Arranger and the Dealers have not separately verified the information or representations contained or incorporated by reference in this Base Prospectus. To the fullest extent permitted by law, none of the Dealers or the Arranger nor any of their respective affiliates (including parent companies) makes any representation, expressed or implied, nor accepts any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other information incorporated by reference in this Base Prospectus is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other information incorporated by reference should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.*

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## GENERAL DESCRIPTION OF THE PROGRAMME

The following overview is qualified in its entirety by the remainder of this Base Prospectus.

All capitalised terms used and not defined in this section are defined in the Conditions.

<b>Issuer</b>	Arkema
<b>Legal Entity Identifier (“LEI”) of the Issuer</b>	9695000EHMS84KKP2785
<b>Website of the Issuer</b>	<a href="http://www.arkema.com">www.arkema.com</a>
<b>Description</b>	Euro Medium Term Note Programme for the continuous offer of Notes (the “ <b>Programme</b> ”).
<b>Arranger</b>	NATIXIS
<b>Dealers</b>	BNP Paribas Citigroup Global Markets Europe AG Crédit Agricole Corporate and Investment Bank Crédit Industriel et Commercial S.A. J.P. Morgan SE Landesbank Hessen-Thüringen Girozentrale NATIXIS Société Générale Standard Chartered Bank AG
<b>Programme Limit</b>	<p>The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to “<b>Permanent Dealers</b>” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to “<b>Dealers</b>” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.</p> <p>Up to €5,000,000,000 (or the equivalent in other currencies) aggregate nominal amount of Notes outstanding at any one time. The maximum aggregate principal amount of Notes which may be outstanding under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Amended and Restated Dealer Agreement.</p>
<b>Fiscal Agent, Paying Agent, Redenomination Agent, Consolidation Agent and Calculation Agent</b>	Uptevia.
<b>Make-Whole Calculation Agent</b>	Aether Financial Services.
<b>Method of Issue</b>	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “ <b>Series</b> ”) having one or more issue dates and on terms otherwise identical (or

identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche will be set out in the final terms to this Base Prospectus (the “**Final Terms**”).

**Maturities**

Unless previously redeemed, purchased and cancelled as provided below, each Note (except for the Undated Subordinated Notes) shall be finally redeemed on the maturity date specified in the relevant Final Terms (the “**Maturity Date**”).

The Undated Subordinated Notes are undated obligations in respect of which there is no fixed maturity date.

**Currencies**

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. dollar, Japanese yen, Swiss francs, Sterling, RMB and in any other currency agreed between the Issuer and the relevant Dealers.

**Denomination(s)**

The Notes will be issued in such denomination(s) as may be agreed between the Issuer and the relevant Dealer and as specified in the relevant Final Terms save that the minimum denomination of each Note listed and admitted to trading on a regulated market in a Member State (a “**Regulated Market**”) of the European Economic Area (“**EEA**”) in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date).

Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) having a maturity of less than one year from their date of issue will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the United Kingdom Financial Services and Markets Act 2000, as amended (“**FSMA**”) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.

Dematerialised Notes will be issued in one denomination only.

**Status of the Notes**

The obligations of the Issuer under the Notes may be either unsubordinated (the “**Unsubordinated Notes**”) or, ordinary subordinated (the “**Ordinary Subordinated Notes**”) or deeply subordinated (the “**Deeply Subordinated Notes**”), in each case, as specified in the relevant Final Terms (the Deeply Subordinated Notes and/or the Ordinary Subordinated Notes, the “**Subordinated Notes**”).

(a) **Unsubordinated Notes**

The Unsubordinated Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4(a))



unsecured obligations of the Issuer and rank and will at all times rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

**(b) Ordinary Subordinated Notes**

The Ordinary Subordinated Notes are issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce*. The principal and interest and other amounts (including Arrears of Interest and/or Additional Interest Amounts) on the Ordinary Subordinated Notes constitute direct, unconditional, unsecured and Ordinary Subordinated Obligations of the Issuer and rank and will rank *pari passu* among themselves and *pari passu* with all other present or future Ordinary Subordinated Obligations and, shall rank in priority to Equity Securities, Deeply Subordinated Obligations, the *titres participatifs* issued by, and the *prêts participatifs* granted to, the Issuer, but shall be subordinated to Unsubordinated Obligations of, or issued by, the Issuer.

**(c) Deeply Subordinated Notes**

The Deeply Subordinated Notes are issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce*. The principal and interest and other amounts (including Arrears of Interest and/or Additional Interest Amounts) on the Deeply Subordinated Notes constitute direct, unconditional, unsecured and Deeply Subordinated Obligations of the Issuer and rank and will rank *pari passu* among themselves and *pari passu* with all other present or future Deeply Subordinated Obligations and, shall rank in priority to Equity Securities but shall be subordinated to the *titres participatifs* issued by, and the *prêts participatifs* granted to, the Issuer, to Ordinary Subordinated Obligations and to Unsubordinated Obligations of, or issued by, the Issuer.

The Subordinated Notes may be either dated with a fixed maturity date (the “**Dated Subordinated Notes**”) or undated with no fixed maturity (“**Undated Subordinated Notes**”).

See “*Terms and Conditions of the Notes – Status of the Notes*”.

**Prohibition of set-off  
(Subordinated Notes only)**

Subject to applicable law, no holder of Subordinated Notes may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with any Subordinated Notes and each holder of Subordinated Notes shall, by virtue of its holding of any Subordinated Note, be deemed to have waived all such rights of set-off, compensation or retention.

**Negative Pledge**

There will be a negative pledge in respect of the Unsubordinated Notes as set out in Condition 4(a). See “*Terms and Conditions of the Notes – Negative Pledge*”.

There will be no negative pledge in respect of Subordinated Notes as set out in Condition 4(b). See “*Terms and Conditions of the Notes – Negative Pledge*”.

**Events of Default  
(including cross default)**

There will be events of default and a cross-default in respect of the Unsubordinated Notes as set out in Condition 9(a). See “*Terms and Conditions of the Notes – Events of Default*”.

There will be no event of default nor cross-default in respect of the Subordinated Notes as set out in Condition 9(b). See “*Terms and Conditions of the Notes – Events of Default*”.

However, each Subordinated Note shall become immediately due and payable at its principal amount, together with accrued interest thereon, if any, to the date of payment and any Arrears of Interest (including any Additional Interest Amounts thereon), in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l’entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or in the event of the voluntary dissolution of the Issuer, or if the Issuer is liquidated for any other reason (and in all cases listed above, other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency whereby the surviving entity assumes all obligations of the Issuer under the Subordinated Notes). No payments will be made to holders of any class of the share capital of the Issuer before all amounts due, but unpaid, to all holders of Subordinated Notes have been paid by the Issuer.

**Redemption**

The relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) having a maturity of less than one year from the date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

**Optional Redemption**

The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or (solely in respect of Unsubordinated Notes) in part) and/or the Noteholders and, if so, the terms applicable to such redemption.

**Redemption by Instalments  
(Unsubordinated Notes only)**

The Final Terms issued in respect of each issue of Unsubordinated Notes that are redeemable in two or more

instalments will set out the dates on which, and the amounts in which, such Unsubordinated Notes may be redeemed.

## **Early Redemption**

### **(a) Unsubordinated Notes**

Except as provided in “Optional Redemption” above, “Residual Call Option”, “Make-Whole Redemption by the Issuer”, “Clean-Up Call Option” and “Acquisition Event Call Option” below, Unsubordinated Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons.

### **(b) Subordinated Notes**

Except as provided in “Optional Redemption” above, “Make-Whole Redemption by the Issuer”, “Clean-Up Call Option”, “Change of Control Call Event Option”, “Acquisition Event Call Option”, “Accounting Event Call Option” and “Rating Event Call Option” below, Subordinated Notes will be redeemable at the option of the Issuer prior to maturity upon the occurrence of a “Gross-Up Event”, a “Withholding Tax Event” or a “Tax Deductibility Event”.

See “*Terms and Conditions of the Notes - Redemption, Purchase and Options*”.

## **Redemption at the option of Noteholders following a Change of Control (Unsubordinated Notes only)**

If a Change of Control Put Option is specified in the relevant Final Terms, and if, at any time while any Unsubordinated Note remains outstanding, there occurs a Change of Control and within the Change of Control Period, a Rating Downgrade occurs or has occurred as a result of such Change of Control, the holders of Unsubordinated Notes will be entitled to request the Issuer to redeem the Unsubordinated Notes, or, at the Issuer’s option, procure the purchase of their Unsubordinated Notes.

## **Change of Control Call Event Option (Subordinated Notes only)**

If a Change of Control occurs after the Issue Date and within the Change of Control Period, a Rating Downgrade occurs or has occurred as a result of such Change of Control (the “**Change of Control Call Event**”), the Issuer may, at its option (a “**Change of Control Call Option**”), at any time, redeem or procure the purchase of all the Subordinated Notes (but not some only) at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon).

If the Issuer elects to redeem the Subordinated Notes, such redemption or purchase will take place not less than 15, nor more than 60 calendar days after a Call Event Notice is given.

Further to the occurrence of a Change of Control Call Event, if the Change of Control Call Option has not been exercised by the Issuer, the interest payable on the Subordinated Notes will be increased by an additional margin specified in the relevant Final Terms (the “**Change of Control Step Up Margin**”) from and including the date of the Call Event Notice to, but excluding, the redemption of the Subordinated Notes.

**Residual Call Option  
(Unsubordinated Notes only)**

If so specified in the relevant Final Terms and in respect of Unsubordinated Notes only, in respect of any issue of Unsubordinated Notes, the Issuer will have the option to redeem the Unsubordinated Notes, in whole or in part, at par together with interest accrued to, but excluding, the date fixed for redemption, at any time as from the Call Option Date which shall be no earlier than 3 months before the Maturity Date, until the Maturity Date.

**Make-Whole Redemption by the  
Issuer**

**(a) Unsubordinated Notes**

If so specified in the relevant Final Terms, in respect of any issue of Unsubordinated Notes, the Issuer will have the option to redeem the Unsubordinated Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date at their Optional Redemption Amount. The Optional Redemption Amount will be calculated by the Calculation Agent and will be the greater of (x) 100 per cent. of the nominal amount of the Unsubordinated Notes so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Unsubordinated Notes (not including any interest accrued on the Unsubordinated Notes to, but excluding, the relevant Make-Whole Redemption Date) discounted to the relevant Make-Whole Redemption Date on an annual basis at the Redemption Rate plus a Redemption Margin (as specified in the relevant Final Terms), plus in each case (x) or (y) above, any interest accrued on the Unsubordinated Notes to, but excluding, the Make-Whole Redemption Date.

If a Residual Call Option is specified in the relevant Final Terms, the Optional Redemption Amount in respect of the Make-Whole Redemption by the Issuer will be calculated taking into account the Call Option Date (as specified in the relevant Final Terms) pursuant to Condition 6(c) and not the Maturity Date.

**(b) Subordinated Notes**

If a Make-Whole Redemption by the Issuer is specified in the relevant Final Terms, in respect of any issue of Subordinated Notes, the Issuer may redeem the Subordinated Notes, in whole but not in part, at any time other than during any Residual Redemption Period (if any) and/or on any Par Call Date, prior to their Maturity Date (the “**Make-Whole Redemption Date**”) at their Optional Redemption Amount.

The Optional Redemption Amount will be calculated by the Make-Whole Calculation Agent and will be the greater of (x) 100 per cent. of the nominal amount of the Subordinated Notes and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Subordinated Notes (not including any Arrears of Interest, Additional Interest Amount thereon and any interest accrued on the Subordinated Notes to, but excluding, the Make-Whole Redemption Date) up

to, and discounted from, (in respect of Dated Subordinated Notes only) the Maturity Date or, if applicable, the Par Call Date immediately succeeding the Make-Whole Redemption Date to such Make-Whole Redemption Date, on an annual basis at the Redemption Rate plus a Redemption Margin (as specified in the relevant Final Terms), plus in each case (x) or (y) above, any interest accrued on the Subordinated Notes and any Arrears of Interest (including any Additional Interest Amounts thereon) to, but excluding, the Make-Whole Redemption Date.

**Clean-Up Call Option**

Unless otherwise specified in the relevant Final Terms, if at least 75 per cent. of the initial aggregate nominal amount of Notes of the same Series have been redeemed or purchased and, in each case, cancelled, the Issuer may, at its option, redeem the Notes in whole but not in part at their Clean-Up Redemption Amount (as specified in the relevant Final Terms) together with (x) in respect of Unsubordinated Notes, any interest accrued to the date set for redemption and (y) in respect of Subordinated Notes, any interest accrued to the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon).

**Acquisition Event Call Option**

If specified in the relevant Final Terms and if an Acquisition Event occurs, the Issuer may redeem the Notes, in whole or in part or, if so specified in the relevant Final Terms, in whole only, as described in Condition 6(l) (*Redemption on Acquisition Event*). The Subordinated Notes will only be redeemable in whole.

**Accounting Event Call Option  
(Subordinated Notes only)**

If specified in the relevant Final Terms and if an Accounting Event has occurred, the Issuer may redeem all, but not some only, of the Subordinated Notes on any day from the Accounting Event Adoption Date and in accordance with Condition 6(m) (*Redemption following an Accounting Event*).

**Rating Event Call Option  
(Subordinated Notes only)**

If specified in the relevant Final Terms and if a Rating Event has occurred, the Issuer may redeem all, but not some only, of the Subordinated Notes at any time and in accordance with Condition 6(n) (*Redemption following a Rating Event*).

**Gross-Up Call Option  
(Subordinated Notes only)**

If specified in the relevant Final Terms and if by reason of a change in French law or regulation, or any change in the official application or interpretation of such law or regulation, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment due in respect of the Subordinated Notes, not be able to make such payment without having to pay additional amounts as specified in Condition 8 (a “**Gross-Up Event**”), the Issuer may redeem all, but not some only, of the Subordinated Notes at any time and in accordance with Condition 6(j)(ii)(A).

**Withholding Tax Call Option  
(Subordinated Notes only)**

If specified in the relevant Final Terms and if the Issuer would on the occasion of the next payment in respect of the Subordinated Notes be prevented by French law or regulation from making payment to the holders of Subordinated Notes of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8 (a “**Withholding Tax Event**”), the Issuer may redeem all, but not some only, of the Subordinated Notes at any time and in accordance with Condition 6(j)(ii)(B).

**Tax Deductibility Call Option  
(Subordinated Notes only)**

If specified in the relevant Final Terms and if an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law or regulation, becoming effective after the Issue Date, the tax regime of any payments under the Subordinated Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Subordinated Notes that is tax-deductible being reduced (a “**Tax Deductibility Event**”), the Issuer may redeem all, but not some only, of the Subordinated Notes at any time and in accordance with Condition 6(j)(ii)(C).

**Put Option  
(Unsubordinated Notes only)**

If so specified in the relevant Final Terms and in respect of Unsubordinated Notes only, the Issuer shall, upon request of the Noteholder, redeem such Unsubordinated Note on the Optional Redemption Date at the Optional Redemption Amount together with interest accrued to the date fixed for redemption.

**Taxation in respect of the Notes**

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied or collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

If such a withholding or deduction is required, the Issuer will have to gross-up its payments to the fullest extent then permitted by law and subject to certain exceptions.

Notes, Receipts, Coupons or Talons could be made subject to any withholding or deduction required pursuant to FATCA. There will be no grossing up provision and, accordingly, no early redemption whatsoever in case of any withholding or deduction required pursuant to FATCA.

See “*Taxation*”.

**Interest Periods and Interest Rates**

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest

**Interest Rate Adjustment  
(Unsubordinated Notes only)**

accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

If so specified in the relevant Final Terms, the rate of interest to be paid with respect of the Unsubordinated Notes may be subject to adjustments on the occurrence of certain ratings triggers.

**Deferral of Interest  
(Subordinated Notes only)**

Interest payments in respect of Subordinated Notes shall only be due and payable if the Issuer so elects, in accordance with the provisions of the following paragraphs.

(i) Optional Interest Payment

Interest which accrues during an Interest Period ending on but excluding an Interest Payment Date will be due on that Interest Payment Date unless the Issuer, by giving notice to the holders of Subordinated Notes in accordance with Condition 5(m)(iv), elects to defer such payment, in whole or in part, and the Issuer shall not have any obligation to make such payment and any failure to so pay shall not constitute a default by the Issuer under the Subordinated Notes or for any other purpose.

Any interest in respect of the Subordinated Notes which has not been paid in accordance with this paragraph will be deferred and shall constitute “**Arrears of Interest**” and shall be payable as outlined below.

(ii) Payment of Arrears of Interest

Arrears of Interest (together with any Additional Interest Amount (as defined below)) may at the option of the Issuer be paid, in whole or in part, at any time, provided that all Arrears of Interest (together with the corresponding Additional Interest Amounts) in respect of all Subordinated Notes for the time being outstanding shall become due and payable in whole, but not in part, on whichever is the earliest of:

- (a) the tenth (10<sup>th</sup>) Business Day following a Mandatory Payment Event;
- (b) the next Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period;
- (c) the redemption of the Subordinated Notes; or
- (d) the date upon which a judgment is made for the voluntary or judicial liquidation of the Issuer (*liquidation judiciaire* or *liquidation amiable*) or the sale of the whole of the business (*cession totale de l'entreprise*) of the Issuer subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*) or if the Issuer is liquidated for any other reason, as contemplated under Condition 9(b).

Each amount of Arrears of Interest shall bear interest, in accordance with Article 1343-2 of the French *Code civil*, as if it constituted the principal of the Subordinated Notes at a rate which corresponds to the rate of interest from time to time applicable to the Subordinated Notes (the “**Arrears Interest Rate**”) and the amount of such interest (the “**Additional Interest Amount**”) with respect to Arrears of Interest shall be due and payable pursuant to this paragraph (ii) and shall be calculated by the Calculation Agent applying the Arrears Interest Rate to the amount of the Arrears of Interest and otherwise *mutatis mutandis* as provided in the provisions of Condition 5(m) (*Deferral of Interest*).

The Additional Interest Amount accrued up to any Interest Payment Date shall be added in accordance with Article 1343-2 of the French *Code civil* to the amount of Arrears of Interest remaining unpaid on such Interest Payment Date so that it will itself become Arrears of Interest, for the purpose only of calculating the Additional Interest Amount accruing thereafter.

**Fixed Rate Notes**

Fixed interest will be payable in arrears on the date or dates in each year specified in the relevant Final Terms.

**Fixed Rate Resettable Notes  
(Subordinated Notes only)**

Fixed Rate Resettable Notes will initially bear a fixed rate of interest payable in arrear on the date or dates in each year specified in the relevant Final Terms and will then be resettable on each specified reset date(s) and bear for each corresponding Reset Period an interest rate corresponding to the sum of a mid-swap rate and one or more margin, specified in the relevant Final Terms.

In the event where the mid-swap rate (or any component thereof) used to calculate interest payable under the Subordinated Notes is discontinued, the Conditions of the Subordinated Notes provide a methodology to determine the successor or alternative mid-swap rates.

**Floating Rate Notes**

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under the June 2013/2007 *Fédération Bancaire Française* Master Agreement relating to transactions on forward financial instruments and the technical schedules (*additifs techniques*) published from time to time by the *Fédération Bancaire Française*; or



- (ii) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc.; or
- (iii) by reference to EURIBOR, CMS Rate, €STR, SOFR or SONIA (or such other benchmark as may be specified in the relevant Final Terms), in each case as adjusted for any applicable margin. Interest periods will be specified in the relevant Final Terms.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

In no event shall the applicable rate of interest (including, for the sake of clarity, any applicable margin) be less than zero.

In the event where the benchmark used to calculate the interest payable is discontinued, the Conditions of the Notes provide a methodology to determine the successor or alternative rates.

#### **Fixed/Floating Rate Notes**

Fixed/Floating Rate Notes may bear interest at a rate that will automatically, or that the Issuer may elect to, convert on the date set out in the Final Terms from a fixed rate to a floating rate, or from a floating rate to a fixed rate.

#### **Zero Coupon Notes (Unsubordinated Notes only)**

Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.

#### **Inflation Linked Notes (Unsubordinated Notes only)**

Inflation Linked Notes may be issued by the Issuer where the interest and/or the principal in respect of such Unsubordinated Notes will be calculated by reference to an inflation index ratio derived from either:

- (i) the consumer price index (excluding tobacco) for all households in metropolitan France, as calculated and published monthly by the *Institut National de la Statistique et des Etudes Economiques*; or
- (ii) the harmonised index of consumer prices excluding tobacco, or the relevant substitute index, measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat.

Inflation Linked Notes may also have a maximum interest rate, a minimum interest rate or both.

In no event shall the applicable rate of interest (including, for the sake of clarity, any applicable margin) be less than zero.

If the Final Redemption Amount calculated as set out in Condition 6(h) is below par, the Unsubordinated Notes will be redeemed at par.

#### **Redenomination**

Notes issued in the currency of any Member State of the EU which will participate in the single currency of the Economic and

	<p>Monetary Union may be redenominated into Euro, all as more fully provided in “<i>Terms and Conditions of the Notes – Form, Denominations, Title and Redenomination</i>”.</p>
<b>Consolidation</b>	<p>Notes of one Series may be consolidated with Notes of another Series as more fully provided in “<i>Terms and Conditions of the Notes – Further Issues and Consolidation</i>”.</p>
<b>Form of Notes</b>	<p>Notes may be issued in either dematerialised form (“<b>Dematerialised Notes</b>”) or, in respect of Unsubordinated Notes only, in materialised form (“<b>Materialised Notes</b>”).</p> <p>Dematerialised Notes may, at the option of the Issuer be issued in bearer dematerialised form (<i>au porteur</i>) or in registered dematerialised form (<i>au nominatif</i>) and, in such latter case, at the option of the relevant Noteholder, in either <i>au nominatif pur</i> or <i>au nominatif administré</i> form.</p> <p>No physical documents of title will be issued in respect of Dematerialised Notes. See “<i>Terms and Conditions of the Notes - Form, Denominations, Title and Redenomination</i>”.</p> <p>The relevant Final Terms will specify whether Dematerialised Notes are to be issued in bearer form only, in registered (including both <i>nominatif pur</i> and <i>nominatif administré</i>) form only or in both bearer and registered form.</p> <p>Unsubordinated Notes issued as Materialised Notes will be in bearer form (“<b>Materialised Bearer Notes</b>”) only. A Temporary Global Certificate will be issued initially in respect of each Tranche of Materialised Bearer Notes. Unsubordinated Notes issued as Materialised Notes may only be issued outside France.</p>
<b>Governing Law</b>	French law.
<b>Central Depository</b>	Euroclear France in relation to Dematerialised Notes.
<b>Clearing Systems</b>	Clearstream, Euroclear or any other clearing system (provided proper clearing and settlement procedures have previously been put in place) that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer in relation to Materialised Notes.
<b>Initial Delivery of Dematerialised Notes</b>	One Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>Lettre Comptable</i> or the application form, as the case may be, relating to such Tranche shall be deposited with Euroclear France as central depository.
<b>Initial Delivery of Materialised Notes (Unsubordinated Notes only)</b>	On or before the issue date for each Tranche of Unsubordinated Notes issued as Materialised Bearer Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.

<b>Issue Price</b>	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.
<b>Listing and Admission to Trading</b>	Euronext Paris or as otherwise specified in the relevant Final Terms. A Series of Notes may or may not be listed and admitted to trading.
<b>Method of Publication of this Base Prospectus and the Final Terms</b>	This Base Prospectus, any supplement to this Base Prospectus and the Final Terms related to the Notes listed and admitted to trading on any Regulated Market in the EEA will be published on the websites of the Issuer ( <a href="http://www.arkema.com">www.arkema.com</a> ) and of the AMF ( <a href="http://www.amf-france.org">http://www.amf-france.org</a> ). The Final Terms will indicate where the Base Prospectus may be obtained.
<b>Representation of the Noteholders</b>	<p>Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>masse</i> (in each case, the “<i>Masse</i>”).</p> <p>The <i>Masse</i> will be governed by the provisions of the French <i>Code de commerce</i>, with the exception of Articles L.228-48, L.228-59, L.228-65 I, 1° and 6°, Articles R.228-61, R.228-63 and R.228-69 of the French Code de commerce and subject to the provisions set out in the Conditions of the Notes.</p> <p>The <i>Masse</i> will act in part through a representative (the “<b>Representative</b>”) and in part through collective decisions of the Noteholders. The names and addresses of the Representative will be set out in the relevant Final Terms.</p> <p>The Representative appointed in respect of the first Tranche of any Series of the Notes will be the representative of the single <i>Masse</i> of all Tranches in such Series.</p>
<b>Selling Restrictions</b>	<p>There are restrictions on the sale of Notes and the distribution of offering material in various jurisdictions. See “<i>Subscription and Sale</i>”.</p> <p>The Notes to be issued qualify under Category 2 for the purposes of Regulation S under the Securities Act.</p> <p>Materialised Notes will be issued (i) in compliance with US Treas. Reg. §1.163-5(c)(2)(i)(D) (the “<b>D Rules</b>”) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “<b>U.S. Internal Revenue Code</b>”)) unless the relevant Final Terms states that such Materialised Notes are issued in compliance with US Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code) (the “<b>C Rules</b>”), or (ii) other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“<b>TEFRA</b>”), which circumstance</p>

will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

The TEFRA rules do not apply to any Dematerialised Notes.

## **Ratings**

The Issuer's long-term debt is currently rated BBB+ (positive outlook) by S&P Global Ratings Europe Limited ("**S&P**") and Baa1 (stable outlook) by Moody's Deutschland GmbH ("**Moody's**"), each of S&P and Moody's is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**"). As such, each of S&P and Moody's is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website [www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)) as of the date of this Base Prospectus. Notes to be issued under the Programme may or may not be rated. The rating, if any, will be specified in the relevant Final Terms. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating assigned to the Issuer. The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

## **RISK FACTORS**

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. The risk factors may relate to the Issuer or any of its subsidiaries.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the main risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. The risks described below are not the only risks the Issuer faces.*

*Additional risks and uncertainties not currently known to the Issuer or that are currently believed to be immaterial could also have a material impact on its business operations. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and in any documents incorporated by reference and reach their own views prior to making any investment decision. In particular, investors should make their own assessment as to the risks associated with the Notes prior to investing in Notes issued under the Programme.*

*All capitalised terms used and not defined in this section are defined in the Conditions.*

### **Risk Factors relating to the Issuer**

Please refer to pages 70 to 83 of the 2022 Universal Registration Document (as defined under “Documents incorporated by reference”) of Arkema which are incorporated by reference in this Base Prospectus and include the following:

- Industrial risks;
- Risks relating to compliance, legal proceedings, societal expectations and internal control;
- Operational risks;
- Economic and business risks;
- Project and innovation risks; and
- Financial risks.

### **Risk Factors relating to the Notes**

*The following is a description of risk factors in relation to the Notes which set out the most material risks (in descending order of importance), taking into account the negative impact of such risks on the Issuer and the probability of their occurrence. Prospective investors should consult their own financial and legal advisers about risks associated with an investment in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances.*

#### **1 Risk Factors relating to all Series of Notes**

##### *French Insolvency Law*

The Issuer is a *société anonyme* with its registered office in France. In the event that the Issuer becomes insolvent, insolvency proceedings will be generally governed by the insolvency laws of France to the

extent that, where applicable, the “centre of main interests” (as construed under Regulation (EU) 2015/848, as amended) of the Issuer is located in France.

Directive (EU) 2019/1023 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 has been transposed into French law by *Ordonnance* n°2021-1193 dated 15 September 2021. Such *Ordonnance*, applicable as from 1<sup>st</sup> October 2021, amends French insolvency laws notably with regard to the process of adoption of restructuring plans under insolvency proceedings. According to this *Ordonnance*, “affected parties” (including notably creditors, and therefore the Noteholders) shall be treated in separate classes which reflect certain class formation criteria for the purpose of adopting a restructuring plan. Classes shall be formed in such a way that each class comprises claims or interests with rights that reflect a sufficient commonality of interest based on verifiable criteria. Noteholders will no longer deliberate on the proposed restructuring plan in a separate assembly, meaning that they will no longer benefit from a specific veto power on this plan. Instead, as any other affected parties, the Noteholders will be grouped into one or several classes (with potentially other types of creditors) and their dissenting vote may possibly be overridden by a cross-class cram down.

The commencement of insolvency proceedings against the Issuer would have a material adverse effect on the market value of Notes. As a consequence, any decisions taken by a class of affected parties could materially and negatively impact the Noteholders and cause them to lose all or part of their investment, should they not be able to recover all or part of the amounts due to them from the Issuer.

#### *Credit Risk*

As contemplated in Condition 3(a), the Unsubordinated Notes and, where applicable any relative Receipts and Coupons are direct, general, unconditional, unsubordinated and (subject to the provisions of Condition 4(a)) unsecured obligations of the Issuer and the Subordinated Notes are direct, unconditional, unsecured and Subordinated Obligations of the Issuer. However, an investment in the Notes involves taking credit risk on the Issuer. If the credit worthiness of the Issuer deteriorates, it may not be able to fulfil all or part of its payment obligations under the Notes, which could materially and negatively impact the Noteholders and investors may lose all or part of their investment.

#### *Modification and waivers*

Condition 11 contains provisions for calling General Meetings of Noteholders or consulting them by way of a resolution in writing to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting or who did not vote through the written consultation and Noteholders who voted in a manner contrary to the majority. If a decision is adopted by a majority of Noteholders and such modifications were to impair or limit the rights of the Noteholders, this may have a negative impact on the market value of the Notes and hence investors may lose part of their investment.

In addition, Condition 11 provides that the provisions of Article L.228-65 I. 1° and 6° of the French *Code de commerce*, respectively providing for a prior approval by the General Meeting of the Noteholders of (i) any proposal to change in corporate purpose or form of the Issuer or (ii) any proposal to transfer the registered office of a *societas europaea* to another Member State of the European Union and Article L.229-2 of the French *Code de commerce* providing that such transfer requires the prior approval by the General Meeting of the Noteholders unless the redemption is offered upon simple request, shall not apply to the Notes. As a result of these exclusions, no General Meeting shall be held nor a Written Resolution shall be submitted and no early redemption of any Note by the Issuer shall be

requested by the Noteholders in respect of such modification which may affect the interests of the Noteholders generally.

#### *U.S. Foreign Account Tax Compliance Act Withholding risk*

As contemplated by Condition 8(b)(iii), pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including France) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, neither the Issuer nor any other person will be required to pay additional amounts as a result of the withholding. Hence investors may lose part of their investment.

## **2 Risk Factors relating to the structure and feature of a particular issue of Notes**

The Programme allows for different types of Notes to be issued. Accordingly, each Tranche of Notes may carry varying risks for potential investors depending on the specific features of such Notes such as, inter alia, the provisions for computation of periodic interest payments, if any, redemption and issue price.

### **2.1 Risk Factors relating to Subordinated Notes**

*The Deeply Subordinated Notes are lowest ranking subordinated obligations of the Issuer*

In accordance with Condition 3(b)(i), the Deeply Subordinated Notes are issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce*.

The Issuer’s obligations under the Deeply Subordinated Notes are direct, unconditional, unsecured and lowest ranking subordinated obligations (*engagements subordonnés de dernier rang*) of the Issuer and rank and will rank *pari passu* among themselves and *pari passu* with all other present or future Deeply Subordinated Obligations. In the event of any judgment rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l’entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or in the event of the voluntary dissolution of the Issuer or if the Issuer is liquidated for any other reason (and in all cases listed above, other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency whereby the surviving entity assumes all obligations of the Issuer under the Deeply Subordinated Notes), the rights of holders of Deeply Subordinated Notes to payment under the Deeply Subordinated Notes will be subordinated to the full payment of the unsubordinated creditors of the Issuer (including creditors of Unsubordinated Obligations (such as the Unsubordinated Notes), of the ordinary subordinated creditors of the Issuer (creditors of Ordinary Subordinated Obligations (such as the Ordinary Subordinated Notes)), of lenders in relation to *prêts participatifs* granted to the Issuer and of holders of *titres participatifs* issued by the Issuer, if and to the extent that there is still cash available for those payments.

In the circumstances described in the preceding paragraph, in the event of incomplete payment of unsubordinated creditors and subordinated creditors ranking ahead of the holders of Deeply Subordinated Notes, the obligations of the Issuer in connection with the Deeply Subordinated Notes shall terminate. Thus, the holders of Deeply Subordinated Notes face a higher performance risk than holders of Unsubordinated Obligations and Ordinary Subordinated Obligations of the Issuer which could result in (i) a loss of all of a holder of Deeply Subordinated Notes' investment in the event of the occurrence of any of the procedures described above and (ii) more volatility in the market value the market value of Deeply Subordinated Notes as compared to Unsubordinated Notes and Ordinary Subordinated Notes.

The claims of the holders of Deeply Subordinated Notes are intended to rank in priority only to any payments to the holders of Equity Securities. There are currently no instruments of the Issuer that rank junior to the Deeply Subordinated Notes other than the ordinary shares of the Issuer.

*The Issuer may also issue Ordinary Subordinated Notes ranking junior to the Unsubordinated Notes but senior to Deeply Subordinated Obligations*

In accordance with Condition 3(b)(ii), the Ordinary Subordinated Notes are issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce*.

The Issuer's obligations under the Ordinary Subordinated Notes are direct, unconditional, unsecured and Ordinary Subordinated Obligations of the Issuer and rank and will rank *pari passu* among themselves and *pari passu* with all other present or future Ordinary Subordinated Obligations and, shall rank in priority to Equity Securities, Deeply Subordinated Obligations and the *titres participatifs* issued by, and the *prêts participatifs* granted to, the Issuer but shall be subordinated to Unsubordinated Obligations of or issued by the Issuer.

As a consequence, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or in the event of the voluntary dissolution of the Issuer, or if the Issuer is liquidated for any other reason (and in all cases listed above, other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency whereby the surviving entity assumes all obligations of the Issuer under the Ordinary Subordinated Notes), the rights of holders of Ordinary Subordinated Notes to payment under the Ordinary Subordinated Notes will be subordinated to the full payment of the unsubordinated creditors of the Issuer (including creditors of Unsubordinated Obligations (such as the Unsubordinated Notes)), if and to the extent that there is still cash available for those payments. This may result in a loss of all of a holder of Ordinary Subordinated Notes' investment in the event of the occurrence of any of the procedures described above and increase the volatility of such Ordinary Subordinated Notes compared to holders of unsubordinated obligations such as the Unsubordinated Notes.

The claims of the holders of Ordinary Subordinated Notes are intended to rank in priority to holders of *titres participatifs* issued by the Issuer, the lenders in relation to *prêts participatifs* granted to the Issuer, the deeply subordinated creditors of the Issuer, and to holders of Equity Securities.

*No limitation on issuing or guaranteeing debt ranking senior or pari passu with the Subordinated Notes*

There is no restriction in the Conditions of the Subordinated Notes on the amount of debt which the Issuer may issue or guarantee. The Issuer and any member of the Group may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* or senior to the obligations under and in connection with the



Subordinated Notes. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Subordinated Notes on a winding-up of the Issuer and/or may increase the likelihood of a deferral of interest payments under the Subordinated Notes.

If the Issuer's financial condition were to deteriorate, the holders of Subordinated Notes could suffer adverse consequences, including loss of interest and, if the Issuer were liquidated (whether voluntarily or not), the holders of Subordinated Notes could suffer loss of their entire investment, particularly as their claims would be subordinated to the claims of senior creditors of the Issuer (see risk factors entitled "*The Deeply Subordinated Notes are the lowest ranking subordinated obligations of the Issuer*" and "*The Issuer may also issue Ordinary Subordinated Notes ranking junior to the Unsubordinated Notes but senior to Deeply Subordinated Obligations*" above).

*The Subordinated Notes contain no event of default nor cross default*

Compared to other debt securities (including the Unsubordinated Notes), Condition 9(b) does not provide for events of default or cross default allowing acceleration of the Subordinated Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Subordinated Notes, including the payment of any interest, or is in default under other indebtedness, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to holders of Subordinated Notes for recovery of amounts owed in respect of any payment of principal or interest on the Subordinated Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it, and investors may therefore lose all or part of their investment. As a result, the value of the Subordinated Notes or liquidity on the secondary market may be materially and negatively affected.

*The Subordinated Notes may be undated*

As provided for in Condition 6(a), the Subordinated Notes may be undated with no specified maturity date. Notwithstanding any early redemption features that may be specified in the relevant Final Terms, the Issuer is under no obligation to redeem or repurchase the Subordinated Notes at any time, and the holders of Subordinated Notes have no right to require redemption of the Subordinated Notes, except if a judgment is issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or, following an order of judicial reorganisation (*redressement judiciaire*), the sale of the whole of the business (*cession totale de l'entreprise*) of the Issuer or in the event of the voluntary dissolution of the Issuer or if the Issuer is liquidated for any other reason (and in all the cases above, other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency whereby the surviving entity assumes all obligations of the Issuer under the Subordinated Notes). Therefore, the financial risks borne by an investor in respect of Undated Subordinated Notes for an indefinite period of time and may not recover the value of their investment in a foreseeable future.

*The Issuer may defer interest payments on the Subordinated Notes*

Pursuant to Condition 5(m), on any applicable Interest Payment Date of any given Series of Subordinated Notes, the Issuer may elect to defer payment of all or part of the interest accrued to that date, and the Issuer shall not have any obligation to make such payment and any such failure to pay shall not constitute a default by the Issuer for any purpose.

Any interest not paid on an applicable Interest Payment Date and deferred shall constitute Arrears of Interest and may be paid, in whole or in part, at any time, provided that all Arrears of Interest (together with any Additional Interest Amounts thereon) in respect of all Subordinated Notes for the time being outstanding shall become due and payable in whole, but not in part, on the date which is the earliest of:

- i. the tenth (10<sup>th</sup>) Business Day following the date on which a Mandatory Payment Event occurs;
- ii. the next scheduled Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period;
- iii. the date on which the Subordinated Notes are redeemed; or
- iv. the date upon which a judgment is made for the judicial liquidation of the Issuer (*liquidation judiciaire*), or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial reorganisation (*redressement judiciaire*) or in the event of the voluntary dissolution of the Issuer or if the Issuer is liquidated for any other reason (and in all cases listed above, other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency whereby the surviving entity assumes all obligations of the Issuer under the Subordinated Notes).

Any deferral of interest payments, or the perception that the Issuer will need to exercise its optional deferral right, will be likely to have a significant adverse effect on the market price of the Subordinated Notes. In addition, as a result of the above provisions of the Subordinated Notes, the market price of the Subordinated Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to the above provisions and may be more sensitive generally to adverse changes in the Issuer's financial condition.

*Changes in rating methodologies may lead to the occurrence of a Rating Event and, at the option of the Issuer to, the early redemption of the Subordinated Notes*

S&P or Moody's may change their rating methodology and, in particular, the "equity credit" criteria or their application after the Issue Date (or, as applicable, after the date when the equity credit is assigned for the first time to the Subordinated Notes) which may constitute a Rating Event, as provided in Condition 6(n). As result of the occurrence of a Rating Event, the Issuer may redeem all of the Subordinated Notes (but not some only), as provided in Condition 6(n).

Such redemption at the option of the Issuer might have a significant negative impact on the market value of such Subordinated Notes. During any period when the Issuer may elect to redeem the Subordinated Notes, the market value of the Subordinated Notes generally will not rise substantially above the price at which they can be redeemed. Should the Subordinated Notes at such time be trading above or well above the price set for redemption, the negative impact on the holders of Subordinated Notes' anticipated returns would be significant. The Issuer may also be expected to redeem the Subordinated Notes when its cost of borrowing is lower than the interest rate of the Subordinated Notes. The holders of Subordinated Notes may not be able to reinvest the redemption proceeds at an effective interest rate as high as the return that would have been received on such Subordinated Notes had they not been redeemed.

*The current IFRS accounting classification of financial instruments such as the Subordinated Notes as equity instruments may change which may result in the occurrence of an Accounting Event*

In June 2018, the IASB ("**International Accounting Standards Board**") published the discussion paper DP/2018/1 on "Financial Instruments with Characteristics of Equity" (the "**DP/2018/1 Paper**") proposing a new classification approach to articulate more clearly the principles for classifying financial instruments as financial liabilities or equity instruments, and to improve the consistency, completeness and clarity of the classification requirements in IAS 32. In November 2023, the IASB published a paper titled "Exposure Draft Financial Instruments with Characteristics of Equity" where the IASB has decided not to pursue the proposed classification approach set out in DP/2018/1 Paper and instead aim at, *inter alia*, clarifying the requirements, including the underlying principles, for classifying a financial

instrument as a financial liability or an equity instrument (the “**2023 Exposure Draft**”). Depending of the content of the final clarifications that will be adopted, the IFRS equity classification of financial instruments such as the Subordinated Notes may change. If such a change leads to an Accounting Event, the Issuer will have the option to redeem, in whole but not in part, the Subordinated Notes pursuant to Condition 6(m).

The implementation of any of the clarifications regarding the requirements, including the underlying principles, for classifying a financial instrument as a financial liability or an equity instrument set out in the 2023 Exposure Draft or any other proposals that may be made in the future, including the extent and timing of any such implementation, if at all, is uncertain. Accordingly, no assurance can be given as to the future classification of the Subordinated Notes from an accounting perspective or whether any such change may result in the occurrence of an Accounting Event, thereby providing the Issuer with the option to redeem the Subordinated Notes pursuant to Condition 6(m).

The redemption of the Subordinated Notes by the Issuer or the perception that the Issuer will exercise its optional redemption right might negatively affect the market value of the Subordinated Notes. During any period when the Issuer may elect to redeem the Subordinated Notes, the market value of the Subordinated Notes generally will not rise substantially above the price at which they can be redeemed. Should the Subordinated Notes at such time be trading above or well above the price set for redemption, the negative impact on the Noteholders’ anticipated returns would be significant.

*The Conditions of the Subordinated Notes contain a prohibition of set-off*

In accordance with Condition 3(b)(iv) and subject to applicable law, no holder of Subordinated Notes may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with any Subordinated Notes and each holder of Subordinated Notes shall, by virtue of its holding of any Subordinated Note, be deemed to have waived all such rights of set-off, compensation or retention. As a result, a holder of Subordinated Notes which is also a debtor of the Issuer cannot set-off its payment obligation against any sum due to it by the Issuer under the Subordinated Notes. This prohibition of set-off could therefore have an adverse impact on the counterparty risk for a holder of Subordinated Notes in the event that the Issuer were to become insolvent.

*Fixed Rate Resettable Notes*

Condition 5(b)(ii) allows for Fixed Rate Resettable Notes to be issued. With respect to any Subordinated Notes issued as Fixed Rate Resettable Notes, the rate of interest on such Fixed Rate Resettable Notes will be reset by reference to the then prevailing Mid-Swap Rate, as adjusted by any margin(s) applicable to the relevant reset interest period(s) specified in the relevant Final Terms. The reset of the rate of interest in accordance with such provisions may significantly affect the secondary market and the market value of such Fixed Rate Resettable Notes. Following any such reset of the rate of interest applicable to the Fixed Rate Resettable Notes, the First Reset Rate of Interest or any Subsequent Reset Rate of Interest on the relevant Fixed Rate Resettable Notes may be lower than the Initial Rate of Interest, the First Reset Rate of Interest and/or any previous Subsequent Reset Rate of Interest. A holder of Subordinated Notes issued as Fixed Rate Resettable Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income and may be impacted by such fluctuations.

## **2.2 Risk Factors relating to the Interest payable on the Notes**

*Fixed Rate Notes*

As contemplated by Condition 5(b), the Issuer may issue Fixed Rate Notes bearing interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as

a percentage) equal to the Rate of Interest, such interest being payable in arrears on each Interest Payment Date.

Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche of Notes and Noteholders may lose all or part of their investment in the Notes and therefore their interests may be negatively altered.

While the nominal interest rate of a Fixed Rate Note is determined during the term of such Note or within a given period of time, the market interest rate (the “**Market Interest Rate**”) typically varies on a daily basis. As the Market Interest Rate changes, the price of the Notes varies in the opposite direction. If the Market Interest Rate increases, the price of the Notes typically decreases, until the yield of the Note equals approximately the Market Interest Rate. If the Market Interest Rate decreases, the price of a Fixed Rate Note typically increases, until the yield of such Note equals approximately the Market Interest Rate. Therefore, the price of the Notes at any particular time may be lower than the purchase price of the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost on any transfer of the Notes, so that the Noteholder in such case would not receive the total amount of the capital invested.

#### *Floating Rate Notes*

As contemplated in Condition 5(c), investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short-term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate. As a result, Noteholders may lose all or part of their investments in the Notes and therefore their interests may be negatively altered.

#### *Fixed/Floating Rate Notes*

As contemplated in Condition 5(d), Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the Final Terms from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms. The conversion (whether it be automatic or optional) of the interest rate may affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a Fixed Rate to a Floating Rate, the spread on the fixed to Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new Floating Rate at any time may be lower than the rates on other Notes. If the Issuer converts from a Floating Rate to a Fixed Rate, the Fixed Rate may be lower than then prevailing rates on its Notes.

Investors should refer to risk factors set out in the risk factors entitled “*Fixed Rate Notes*” and “*Floating Rate Notes*”.

#### *Zero Coupon Notes*

As contemplated by Condition 5(e), the Issuer may issue Zero Coupon Notes. Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary Notes because the discounted issue prices are substantially below par. If market interest rates

increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk and holders of Unsubordinated Notes may, as a result, lose all or part of their investment in the Notes.

#### *Reform and regulation of “benchmarks”*

Pursuant to Condition 5(c) and where the applicable Final Terms for a Series of Floating Rate Notes identifies that the Rate of Interest for such Notes will be determined by reference to the Euro Interbank Offered Rate (“EURIBOR”) or other indices which are deemed to be “benchmarks” (except in respect of €STR, SOFR and SONIA (as defined below)) which are the subject of national, international and other regulatory guidance and proposals for reform. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequences could have a material adverse effect on the liquidity and value of and return on any Notes linked to such a “benchmark”.

Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as amended (the “**Benchmarks Regulation**”) is applicable since 1 January 2018, and applies to the provision of “benchmarks” in the EU, the contribution of input data to a “benchmark” and the use of a “benchmark” within the EU.

The Benchmarks Regulation could have a material impact on any Notes linked to a rate or index deemed to be a “benchmark”, in particular if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.

More broadly, any of the international, national or other proposals for reform or the general increased regulatory scrutiny of “benchmarks”, could (i) increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements, (ii) discourage market participants from continuing to administer or contribute to certain “benchmarks”, (iii) trigger changes in the rules or methodologies used in certain “benchmarks” or (iv) lead to the disappearance of certain “benchmarks”.

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 material adverse effect on the value of and return on any Notes linked to a “benchmark”.

#### *Floating Rate Notes and Fixed Rate Resetable Notes – benchmark discontinuation*

Where Screen Rate Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined (except in respect of €STR, SOFR and SONIA), Condition 5(c)(iii)(D) (*Benchmark discontinuation for Floating Rate Notes*) and Condition 5(b)(ii)(C) (*Benchmark discontinuation for Fixed Rate Resetable Notes*) provides that if the Original Reference Rate or, as the case may be, the Original Mid-Swap Rate is discontinued, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser to determine a Successor Rate, an Alternative Rate, a Successor Mid-Swap Rate or an Alternative Mid-Swap Rate (as applicable) (and, as the case may be, an Adjustment Spread or an Mid-Swap Adjustment Spread (as applicable)) following the occurrence of a Benchmark Event or a Mid-Swap Benchmark Event (each, as defined in Condition 5(a) (*Definitions*)).

The use of any such Successor Rate, Alternative Rate, Successor Mid-Swap Rate or Alternative Mid-Swap Rate (as applicable) (and, as the case may be, an Adjustment Spread or an Mid-Swap Adjustment Spread (as applicable)) to determine the Rate of Interest will result in Notes linked to or referencing the

Original Reference Rate or, as the case may be, the Original Mid-Swap Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate or, as the case may be, the Original Mid-Swap Rate were to continue to apply in its current form.

Furthermore, if (a) a Successor Rate or an Alternative Rate for the Original Reference Rate or (b) a Successor Mid-Swap Rate or an Alternative Mid-Swap Rate for the Original Mid-Swap Rate (or any component part thereof) is determined by the Independent Adviser and the Independent Adviser determines that amendments to the Conditions of the Notes provide that the Issuer may vary the Conditions of the Notes, as necessary to ensure the proper operation of such Successor Rate, Alternative Rate, Successor Mid-Swap Rate or Alternative Mid-Swap Rate (as applicable), then the Issuer may vary these Conditions to give effect to such amendments without any requirement for consent or approval of the Noteholders.

The Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate, an Alternative Rate, a Successor Mid-Swap Rate or an Alternative Mid-Swap Rate (as applicable) (and, as the case may be, an Adjustment Spread or an Mid-Swap Adjustment Spread (as applicable)) in accordance with the Conditions of the Notes.

Where it is the case before the next Interest Determination Date or Reset Determination Date (as applicable), the Rate of Interest for the next succeeding Interest Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date or Reset Determination Date (as applicable) before the occurrence of the Benchmark Event or the Mid-Swap Benchmark Event, or, where the Benchmark Event or the Mid-Swap Benchmark Event occurs before the first Interest Determination Date or Reset Determination Date (as applicable), the Rate of Interest will be the initial Rate of Interest.

Applying the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date or Reset Determination Date (as applicable) before the occurrence of the Benchmark Event or Mid-Swap Benchmark Event will result in Notes linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant benchmark were to continue to apply, or if a Successor Rate, an Alternative Rate, a Successor Mid-Swap Rate or an Alternative Mid-Swap Rate (as applicable) could be determined.

If the Independent Adviser fails to determine a Successor Rate, an Alternative Rate, a Successor Mid-Swap Rate or an Alternative Mid-Swap Rate (as applicable) for the life-time of the relevant Notes, the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date or Reset Determination Date (as applicable) before the occurrence of the Benchmark Event or Mid-Swap Benchmark Event, will continue to apply to maturity. In respect of Subordinated Notes only, no Successor Mid-Swap Rate or Alternative Mid-Swap Rate will be adopted, nor will the applicable Mid-Swap Adjustment Spread be applied, nor will any other related Mid-Swap Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to (i) result in a reduction of the amount of "equity credit" assigned to the Notes by any Rating Agency when compared to the "equity credit" assigned to the Notes immediately prior to the occurrence of the relevant Mid-Swap Benchmark Event from such Rating Agency or (ii) otherwise prejudice the eligibility of the Notes for "equity credit" from any Rating Agency. This will result in the Floating Rate Notes, Fixed/Floating Rate Notes or the Fixed Rate Resettable Notes, in effect, becoming Fixed Rate Notes. Noteholders may, in such circumstances, be materially affected and receive a lower interest as they would have expected if an Independent Adviser had been determined or if such Independent Adviser did not fail to determine such Successor, Alternative Rate, Successor Mid-Swap Rate or Alternative Mid-Swap Rate (as applicable).

*The risk-free rates (including overnight rates) may be used for Floating Rate Notes*

Condition 5(c) allows the Notes referencing risk-free rates to be issued. The risk-free rates, such as the Sterling Overnight Index Average (“**SONIA**”), the Secured Overnight Financing Rate (“**SOFR**”) and the Daily Euro Short-term Rate (“**€STR**”), as reference rates in the capital markets for sterling, U.S. dollar or euro bonds, as applicable have been adopted as alternatives to the certain interbank offered rates.

Such risk-free rates have a limited performance history and the future performance of such risk-free rates remains uncertain. As a consequence, no future performance of Floating Rate Notes referencing risk-free rates may be inferred from any of the hypothetical or actual historical performance data. In addition, risk-free rates may behave materially differently to interbank offered rates as interest reference rates. For example, since publication of SOFR began, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Interest is calculated on the basis of the compounded risk-free rate or an arithmetic average of the risk-free rate, using the relevant specific formula set out in the Conditions of the Notes. In addition, market conventions for calculating the interest rate for notes referencing risk-free rates continue to develop and market participants and relevant working groups are exploring alternative reference rates based on risk-free rates. Accordingly, the specific formula for calculating the rate used in the Notes issued under the Base Prospectus may not be widely adopted by other market participants, if at all.

The Issuer may in the future also issue Notes referencing risk-free rates that materially differ in terms of interest determination when compared with any previous Notes referencing risk-free rates issued by it. If the market adopts a different calculation method, that could adversely affect the market value of Notes issued under the Programme.

Interest on Notes which reference a risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference risk-free rates to reliably estimate the amount of interest which will be payable on such Notes.

Each risk-free rate is published and calculated by third parties based on data received from other sources and the Issuer has no control over their respective determinations, calculations or publications. There is a risk that the relevant risk-free rate (or the Compounded SOFR Index or SONIA Compounded Index) will be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes linked to or which reference such a risk-free rate (or that any applicable benchmark fallback provisions provided for in the Conditions of the Notes will provide a rate which is not economically equivalent for Noteholders). If the manner in which the relevant risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions of the Notes and used in relation to Notes that reference a risk-free rate issued under the Base Prospectus.

Any mismatch between the adoption of such risk-free rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which investors may put in place in connection with any acquisition, holding or disposal of any Note.

## 2.3 Risk Factors relating to the redemption of the Notes

### *Notes subject to optional redemption by the Issuer*

The Issuer has the option, if so specified in the relevant the Final Terms, to redeem the Unsubordinated Notes under a Residual Call Option as provided in Condition 6(c), a make-whole call option as provided in Condition 6(d)(i), a Clean-Up Call Option as provided in Condition 6(e), a Call Option as provided in Condition 6(f) or an Acquisition Event Call Option as provided in Condition 6(l).

The Issuer has the option, if so specified in the relevant the Final Terms, to redeem the Subordinated Notes under a make-whole call option as provided in Condition 6(d)(ii), a Clean-Up Call Option as provided in Condition 6(e), a Call Option as provided in Condition 6(f), a Gross-Up Event as provided in Condition 6(j)(ii)(A), a Withholding Tax Event as provided in Condition 6(j)(ii)(B), a Tax Deductibility Event as provided in Condition 6(j)(ii)(C), a Change of Control Call Event as provided in Condition 6(k)(ii), an Acquisition Event Call Option as provided in Condition 6(l), an Accounting Event call option as provided in Condition 6(m) and a Rating Event call option as provided in Condition 6(n).

In case of a Clean-Up Call Option, if so specified in the relevant the Final Terms of Unsubordinated Notes or Subordinated Notes, there is no obligation for the Issuer to inform investors if and when the percentage of 75 per cent. has been reached or is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of this option, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

If (i) an Acquisition Event Call Option is specified in the relevant Final Terms of Unsubordinated Notes or Subordinated Notes and (ii) the Issuer publicly announces that the consummation of the acquisition of the Targeted Company, as defined in the relevant Final Terms, is not pursued or the completion of the acquisition has not occurred on or prior to the Acquisition Event Limit Date, the Issuer will have the option to redeem the Notes, in whole or in part or, if so specified in the relevant Final Terms, in whole only, at the Optional Redemption Amount together with (x) in respect of Unsubordinated Notes, any interest accrued to the date set for redemption and (y) in respect of Subordinated Notes, any interest accrued to the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon) as provided in Condition 6(l).

As provided in Condition 6(l), if an Accounting Event occurs on or after the Issue Date and the Issuer decides to exercise its option to redeem the Subordinated Notes, the early redemption price on the Subordinated Notes will be different whether such Accounting Event occurs prior to, or on or after, the Accounting Event Cut-Off Date specified in the relevant Final Terms. Similarly, and as provided in Condition 6(m), if a Rating Event occurs on or after the Issue Date and the Issuer decides to exercise its option to redeem the Subordinated Notes, the early redemption price on the Subordinated Notes will be different whether such Rating Event occurs prior to, or on or after, the Rating Event Cut-Off Date specified in the relevant Final Terms.

Furthermore, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the country of domicile (or residence for tax purposes) by the Issuer, or on behalf of France, or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may or, with respect to Unsubordinated Notes only, in certain circumstances shall, redeem all, but not some only, of the outstanding Notes in accordance with the Conditions of the Notes.



In addition, if in the case of any particular Tranche of Notes the relevant Final Terms specify that the Notes are redeemable at the Issuer's option, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low.

During a period when the Issuer may elect, or has elected, to redeem Notes, such Notes may feature a market value not substantially above the price at which they can be redeemed. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

All of the above may reduce the profits potential investors in the Notes may have expected in subscribing the Notes and could have significant impact on the Noteholders.

#### *Put Option or Change of Control Put Option*

Exercise of Put Option as provided in Condition 6(g) or Change of Control Put Option as provided in Condition 6(k)(i) in respect of certain Unsubordinated Notes may affect the liquidity of the Unsubordinated Notes of the same Series in respect of which such option is not exercised.

Depending on the number of Unsubordinated Notes of the same Series in respect of which the Put Option or the Change of Control Put Option provided in the relevant Final Terms is exercised, any trading market in respect of those Unsubordinated Notes in respect of which such option is not exercised may become illiquid and holders of Unsubordinated Notes may lose part of their investments.

## **2.4 Risk Factors relating to Inflation Linked Notes**

As contemplated in Condition 5(c), the Issuer may issue Inflation Linked Notes. Inflation Linked Notes are debt securities which do not provide for predetermined interest payments and/or in respect of which the principal is indexed. Interest amounts and/or principal will be dependent upon the performance of either (i) the consumer price index (excluding tobacco) for all households in metropolitan France (the "CPI"), as calculated and published monthly by the *Institut National de la Statistique et des Etudes Economiques* ("INSEE"), or (ii) the harmonised index of consumer prices excluding tobacco, or the relevant substitute index, measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat (the "HICP") (each an "Inflation Index" and together, the "Inflation Indices"). If the value of the relevant index calculated at anytime prior to the Maturity Date is lower than the value of the relevant index at the time of the issue of the Unsubordinated Notes or at the time of purchase by the holders of Unsubordinated Notes, then the amount of interest payable by the Issuer and/or the principal of Inflation Linked Notes may vary. Holders of Unsubordinated Notes may receive no interest. However, if the nominal amount to be repaid at maturity is below par, the Inflation Linked Notes will be redeemed at par.

Neither the current nor the historical levels of any of the Inflation Indices should be taken as an indication of future performance of such index during the term of any Inflation Linked Notes.

Inflation Linked Notes are not in any way sponsored, endorsed, sold or promoted by the INSEE or Eurostat, as the case may be, and the INSEE or Eurostat, makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of any of the Inflation Indices and/or the figure at which such indices stand at any particular time. The Inflation Indices are determined, composed and calculated by the INSEE or Eurostat, as the case may be, without regard to the Issuer or the Unsubordinated Notes. The INSEE or Eurostat, as the case may be, is not responsible for or has not participated in the determination of the timing of, prices of, or quantities of the Inflation Linked Notes to be issued or in the determination or calculation of the interest payable under such Unsubordinated Notes.

The above-factors could materially and adversely affect the liquidity of the Unsubordinated Notes and investors could lose all or part or part of their investment.

## 2.5 Risk Factors relating to Renminbi-denominated Notes

Unsubordinated Notes denominated in Renminbi (“**RMB Notes**”) may be issued under the Programme. RMB Notes contain particular risks for potential investors.

*Renminbi is not freely convertible and may adversely affect the liquidity of the RMB Notes.*

Renminbi is not freely convertible at present. The government of the People’s Republic of China (the “**PRC Government**”) continues to regulate conversion between Renminbi and foreign currencies, including the U.S. dollar, despite the significant reduction over the years by the PRC government of its control over routine foreign exchange transactions under current accounts. This may affect the liquidity of the RMB Notes and the Issuer’s ability to source Renminbi out of the PRC to service RMB Notes.

Remittance of Renminbi into and out of the PRC for the purposes of capital account items, such as capital contributions, debt financing and securities investments, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items are adjusted from time to time to match the policies of the PRC Government.

Although Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund in 2016, and the People’s Bank of China (“**PBOC**”) and the Ministry of Commerce of the People’s Republic of China have implemented policies for further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies, there is a risk that the PRC Government will not continue to gradually liberalise the control over cross-border remittance of Renminbi in the future, that any pilot schemes for Renminbi cross-border utilisation will be discontinued or that new regulations in the PRC will be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the Issuer’s ability to source Renminbi to finance its obligations under the RMB Notes.

*There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the RMB Notes and the Issuer's ability to source Renminbi outside the PRC to service such RMB Notes.*

As a result of the restrictions imposed by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. In efforts to internationalise the Renminbi, the PBoC has established Renminbi clearing and settlement systems for participating banks in various countries through settlement agreements on the clearing of Renminbi business with financial institutions (each, a “**Renminbi Clearing Bank**”) in a number of financial centres and cities, has established the Cross-Border Inter-Bank Payments System (CIPS) to facilitate cross-border Renminbi settlement and is in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the “**Settlement Arrangements**”).

However, the current size of Renminbi-denominated financial assets outside the PRC is limited.

There are restrictions imposed by PBoC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as restrictions on the types of transactions for such cross-border Renminbi settlement. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBoC, although the PBoC has gradually allowed participating banks to access the PRC’s onshore inter-bank market for the purchase and sale of Renminbi. The Renminbi Clearing Banks have limited access to onshore liquidity support from PBoC for the purpose of squaring open positions

of its relevant participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In cases where the participating banks cannot source sufficient Renminbi through the above channels, they will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is a risk that new PRC regulations will be promulgated or the Settlement Agreements will be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the RMB Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Notes, there is a risk that the Issuer will not be able to source such Renminbi on satisfactory terms, if at all. Should the Issuer resort to using another currency, such as U.S. dollar, to respect its payment obligations under the RMB Notes, the relevant holders of Unsubordinated Notes may lose part of their investment when converting such currency back into Renminbi, depending on the prevailing exchange rate at that time. As a result, holders of Unsubordinated Notes may receive a lower income on their investments in the Unsubordinated Notes or lose all or part of their investment.

## **2.6 Risk Factors relating to Notes issued at a substantial discount or premium**

The issue price of any specific Series of Notes will be determined in the relevant Final Terms. The Notes may be issued at a substantial discount or premium to their nominal amount. The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

It is difficult to anticipate future market volatility in interest rates, but any such volatility may have a significant adverse effect on the value and marketability of the Notes and Noteholders could lose part of their investment.

## **3 Risk Factors relating to the market generally**

### *No active Secondary/Trading Market for the Notes*

Notes issued under the Programme will be new securities which may not be widely distributed and for which there may be no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single Series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although in relation to Notes to be listed and admitted to trading on Euronext Paris, the Final Terms of the Notes will be filed with the AMF in Paris where the Notes will be listed and admitted to trading, any particular Tranche of Notes may not be so listed and admitted or an active trading market may not develop. Accordingly, the development or liquidity of any trading market for any particular Tranche of Notes remains uncertain. As a consequence, investors may not be able to sell Notes readily or at prices that will enable them to realise their anticipated yield and as a result, investors could lose all or part of their investment in the Notes.

### *Market Value of the Notes*

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including the value of an index, including, but not limited to, the volatility of an index, market interest and yield rates and the time remaining to the maturity date.

Application will be made in certain circumstances to list and admit the Notes on Euronext Paris.

The value of the Notes or the Inflation Indices depends on a number of interrelated factors, including economic, financial and political events in France, in the United Kingdom (including Brexit) or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such Noteholder and result in losing part of their investment in the Notes. The historical level of the Inflation Index should not be taken as an indication of such index's future performance during the term of any Note.

*Exchange Rates risks and exchange controls*

The Programme allows for Notes to be issued in a range of currencies. An investment in the Notes may involve exchange rate risks. The reference assets or the Notes may be denominated in a currency other than the currency of the purchaser's home jurisdiction; and/or the reference assets or the Notes may be denominated in a currency other than the currency in which a purchaser wishes to receive funds. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets which are influenced by macro-economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Notes or the reference assets.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. If this risk ever materialises, investors may receive less interest or principal than expected, or no interest or principal at all.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the pages identified in the cross-reference table below of the following documents which have been previously filed with the AMF as competent authority in France for the purposes of the Prospectus Regulation.

- (A) the pages referred to in the table below which are included in the Issuer's 2023 audited consolidated financial statements of the Issuer as at 31 December 2023 prepared in accordance with IFRS as adopted by the European Union and published in the French language on 29 February 2024 (the “**2023 Consolidated Financial Statements**”),  
  
([https://www.arkema.com/files/live/sites/shared\\_arkema/files/downloads/investorrelations/fr/finance/arkema-etats-financiers-consolides-2023.pdf](https://www.arkema.com/files/live/sites/shared_arkema/files/downloads/investorrelations/fr/finance/arkema-etats-financiers-consolides-2023.pdf));
- (B) the pages referred to in the table below which are included in the Issuer's 2022 *Document d'Enregistrement Universel* in the French language, filed with the AMF under no. D.23-0171 on 28 March 2023 (the “**2022 Universal Registration Document**”), which includes the audited consolidated financial statements of the Issuer as at 31 December 2022 prepared in accordance with IFRS as adopted by the European Union,  
  
([https://www.arkema.com/files/live/sites/shared\\_arkema/files/downloads/investorrelations/fr/finance/ARK2022\\_ARKEMA\\_URD\\_FR\\_MEL\\_2023\\_03\\_27.pdf](https://www.arkema.com/files/live/sites/shared_arkema/files/downloads/investorrelations/fr/finance/ARK2022_ARKEMA_URD_FR_MEL_2023_03_27.pdf));
- (C) the terms and conditions of the notes contained in the base prospectus of the Issuer dated 19 December 2014,  
  
<https://www.arkema.com/export/sites/global/.content/medias/downloads/investorrelations/en/finance/arkema-base-prospectus-emptn-december-2014.pdf> (the “**2014 EMTN Conditions**”);
- (D) the terms and conditions of the notes contained in the base prospectus of the Issuer dated 25 November 2016,  
  
<https://www.arkema.com/export/sites/global/.content/medias/downloads/investorrelations/en/finance/arkema-2016-base-prospectus.pdf> (the “**2016 EMTN Conditions**”);
- (E) the terms and conditions of the notes contained in the base prospectus of the Issuer dated 12 December 2018,  
  
<https://www.arkema.com/export/sites/global/.content/medias/downloads/investorrelations/en/finance/arkema-12.12.2018-base-prospectus-emptn-programme.pdf> (the “**2018 EMTN Conditions**”);
- (F) the terms and conditions of the notes contained in the base prospectus of the Issuer dated 28 January 2020,  
  
[https://www.arkema.com/files/live/sites/shared\\_arkema/files/downloads/investorrelations/en/finance/arkema-2020-emptn-programme\\_base-prospectus\\_final-version.pdf](https://www.arkema.com/files/live/sites/shared_arkema/files/downloads/investorrelations/en/finance/arkema-2020-emptn-programme_base-prospectus_final-version.pdf) (the “**2020 EMTN Conditions**”);
- (G) the terms and conditions of the notes contained in the base prospectus of the Issuer dated 6 May 2022,  
  
[https://www.arkema.com/files/live/sites/shared\\_arkema/files/downloads/investorrelations/en/finance/Arkema%202022%20EMTN%20Progr.\\_Base%20Prospectus%20\(final%20pdf%20with%20AMF%20approval%20number\).pdf](https://www.arkema.com/files/live/sites/shared_arkema/files/downloads/investorrelations/en/finance/Arkema%202022%20EMTN%20Progr._Base%20Prospectus%20(final%20pdf%20with%20AMF%20approval%20number).pdf) (the “**2022 EMTN Conditions**”); and
- (H) the terms and conditions of the notes contained in the base prospectus of the Issuer dated 26 April 2023,  
  
[https://www.arkema.com/files/live/sites/shared\\_arkema/files/downloads/investorrelations/fr/finance/Arkema%202023%20EMTN%20Progr.\\_Base%20Prospectus%20\(with%20approval\).pdf](https://www.arkema.com/files/live/sites/shared_arkema/files/downloads/investorrelations/fr/finance/Arkema%202023%20EMTN%20Progr._Base%20Prospectus%20(with%20approval).pdf) (the “**2023 EMTN Conditions**” and, together with the 2014 EMTN Conditions, the 2016 EMTN Conditions, the

2018 EMTN Conditions and the 2020 EMTN Conditions and the 2023 Conditions, the “**EMTN Previous Conditions**”).

Such pages and document shall be incorporated in, and shall be deemed to form part of, this Base Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

The availability of the documents incorporated by reference into this Base Prospectus is described in section “General Information” under paragraph (10) “Documents available”.

The non-incorporated parts of the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus and are either not relevant for the investors or covered elsewhere in this Base Prospectus.

The English translations of the 2023 Consolidated Financial Statements and the 2022 Universal Registration Document are available on the website of the Issuer ([www.arkema.com](http://www.arkema.com)). Such English translations are available for information purposes only and are not incorporated by reference in this Base Prospectus and may not be relied upon.

Other than in relation to the documents which are incorporated by reference, the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the AMF.

For the purpose of the Prospectus Regulation, information can be found in the documents incorporated by reference in this Base Prospectus in accordance with the following cross-reference table (in which the numbering refers to the relevant items of Annex 7 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, as amended, supplementing the Prospectus Regulation (the “**Commission Delegated Regulation**”).

For the avoidance of doubt, “Not applicable” in the cross-reference table below means that the information is not relevant for the purposes of Annex 7 of the Commission Delegated Regulation.

Items of such Annex 7 of the Commission Delegated Regulation which are not listed in the cross-reference table below are also not relevant because they are included elsewhere in this Base Prospectus.

However, the information set out in the sections “*Description of Arkema*” and “*Recent Developments*” can complete, modify or supersede the information incorporated by reference.

<b>Annex 7 of Commission Delegated Regulation (EU) 2019/980, as amended</b>		<b>2023 Consolidated Financial Statements  (audited)</b>	<b>2022 Universal Registration Document  (audited)</b>
<b>1.</b>	<b>PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL</b>		
<b>2.</b>	<b>STATUTORY AUDITORS</b>		

<b>Annex 7 of Commission Delegated Regulation (EU) 2019/980, as amended</b>		<b>2023 Consolidated Financial Statements  (audited)</b>	<b>2022 Universal Registration Document  (audited)</b>
<b>3.</b>	<b>RISK FACTORS</b>		
3.1	<p>A description of the material risks that are specific to the issuer and that may affect the issuer’s ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed ‘Risk Factors’.</p> <p>In each category the most material risks, in the assessment of the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence, shall be set out first. The risk factors shall be corroborated by the content of the registration document.</p>		Pages 70 to 83
<b>4.</b>	<b>INFORMATION ABOUT THE ISSUER</b>		
4.1	<u>History and development of the Issuer</u>		
4.1.1	The legal and commercial name of the issuer		Page 374
4.1.2	The place of registration of the issuer and its registration number and legal entity identifier (‘LEI’)		Page 374
4.1.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite		Page 374
4.1.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus		Page 374
4.1.5	Any recent events particular to the issuer and which are to a material extent relevant to the evaluation of the issuer's solvency	Page 16	Pages 293 and 341
<b>5.</b>	<b>BUSINESS OVERVIEW</b>		
5.1	<u>Principal activities</u>		
5.1.1	A brief description of the issuer’s principal activities stating the main categories of products sold and/or services performed.		Pages 4 to 7 and 55 to 65
5.1.2	The basis for any statements in the registration document made by the issuer regarding its competitive position.		Pages 55 to 65
<b>6.</b>	<b>ORGANISATIONAL STRUCTURE</b>		
6.1	If the issuer is part of a group, a brief description of the group and the issuer’s position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.		Pages 375 to 376

<b>Annex 7 of Commission Delegated Regulation (EU) 2019/980, as amended</b>		<b>2023 Consolidated Financial Statements  (audited)</b>	<b>2022 Universal Registration Document  (audited)</b>
6.2	If the issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	Not applicable	Not applicable
<b>7.</b>	<b>TREND INFORMATION</b>		
<b>8.</b>	<b>PROFIT FORECASTS OR ESTIMATES</b>		
<b>9.</b>	<b>ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES</b>		
9.1	Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer:  (a) members of the administrative, management or supervisory bodies;  (b) partners with unlimited liability, in the case of a limited partnership with a share capital.		Pages 38 to 39 and pages 97 to 110 Not applicable
9.2.	<u>Administrative, management, and supervisory bodies conflicts of interests</u>  Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated.  In the event that there are no such conflicts, a statement to that effect must be made.		Page 110
<b>10.</b>	<b>MAJOR SHAREHOLDERS</b>		
10.1	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.		Page 382
10.2	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.		Not applicable
<b>11.</b>	<b>FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>		
11.1	<u>Historical Financial Information</u>		
11.1.1	Historical financial information covering the latest two financial years (at least 24 months) or such shorter period as the issuer has been in operation and the audit report in respect of each year.	Pages 3 to 70	Pages 287 to 345
11.1.2	Change of accounting reference date	Not applicable	Not applicable



<b>Annex 7 of Commission Delegated Regulation (EU) 2019/980, as amended</b>		<b>2023 Consolidated Financial Statements  (audited)</b>	<b>2022 Universal Registration Document  (audited)</b>
	If the issuer has changed its accounting reference date during the period for which historical financial information is required, the audited historical financial information shall cover at least 24 months, or the entire period for which the issuer has been in operation, whichever is shorter.		
11.1.3	<p>Accounting standards</p> <p>The financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002.</p> <p>If Regulation (EC) No 1606/2002 is not applicable the financial statements must be prepared according to:</p> <p>(a) a Member State's national accounting standards for issuers from the EEA as required by Directive 2013/34/EU;</p> <p>(b) a third country's national accounting standards equivalent to Regulation (EC) No 1606/2002 for third country issuers.</p> <p>Otherwise the following information must be included in the registration document:</p> <p>(a) a prominent statement that the financial information included in the registration document has not been prepared in accordance with International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002 and that there may be material differences in the financial information had Regulation (EC) No 1606/2002 been applied to the historical financial information;</p> <p>(b) immediately following the historical financial information a narrative description of the differences between Regulation (EC) No 1606/2002 as adopted by the Union and the accounting principles adopted by the issuer in preparing its annual financial statements.</p>	Pages 16 to 17	Pages 293-294
11.1.4	<p>Where the audited financial information is prepared according to national accounting standards, the financial information must include at least the following:</p> <p>(a) the balance sheet;</p> <p>(b) the income statement;</p> <p>(c) the accounting policies and explanatory notes.</p>	Not applicable	Not applicable
11.1.5	<p>Consolidated financial statements</p> <p>If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document.</p>	Pages 10 to 70	Pages 287 to 345

<b>Annex 7 of Commission Delegated Regulation (EU) 2019/980, as amended</b>		<b>2023 Consolidated Financial Statements  (audited)</b>	<b>2022 Universal Registration Document  (audited)</b>
11.1.6	Age of financial information  The balance sheet date of the last year of audited financial information may not be older than 18 months from the date of the registration document	Page 12	
11.2	<u>Auditing of Historical financial information</u>		
11.2.1	A statement that the historical financial information has been audited.	Pages 3 to 9	Pages 283 to 286
11.2.1 a	Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.	Not applicable	Not applicable
11.2. 2	An indication of other information in the registration document which has been audited by the auditors.	Not applicable	Not applicable
11.2. 3	Where financial information in the registration document is not extracted from the issuer's audited financial statements state the source of the data and state that the data is not audited.	Not applicable	Not applicable
11.3	<u>Legal and arbitration proceedings</u>		
11.3. 1	Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	Pages 54 to 56	Pages 74 to 75
11.4	<u>Significant change in the issuer's financial or trading position</u>		
11.4.1	A description of any significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published, or provide an appropriate negative statement.		
<b>12.</b>	<b>MATERIAL CONTRACTS</b>		
12.1	A brief summary of all material contracts that are not entered into in the ordinary course of the issuer's business, which could result in any group member being under an obligation or entitlement that is material to the issuer's ability to meet its obligations to security holders in respect of the securities being issued.		Page 67
<b>13.</b>	<b>DOCUMENTS AVAILABLE</b>		

**Any information not listed above but included in the documents incorporated by reference is given for information purposes only and shall not form part of this Base Prospectus.**

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

EMTN Previous Conditions	
2014 EMTN Conditions	Pages 25 to 59 of the base prospectus dated 19 December 2014
2016 EMTN Conditions	Pages 26 to 59 of the base prospectus dated 25 November 2016
2018 EMTN Conditions	Pages 31 to 69 of the base prospectus dated 12 December 2018
2020 EMTN Conditions	Pages 52 to 97 of the base prospectus dated 28 January 2020
2022 EMTN Conditions	Pages 32 to 94 of the base prospectus dated 6 May 2022
2023 EMTN Conditions	Pages 34 to 99 of the base prospectus dated 26 April 2023

## **SUPPLEMENT TO THE BASE PROSPECTUS**

If at any time the Issuer is required to prepare a prospectus supplement pursuant to provisions of Article 23 of the Prospectus Regulation, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a further Base Prospectus which, in respect of any subsequent issue of Notes to be listed and admitted to trading on Euronext Paris or on a Regulated Market for a Member State of the EEA or offered to the public in a Member State of the EEA, shall constitute (only in respect of an appropriate supplement to the Base Prospectus) a prospectus supplement as required by Article 23 of the Prospectus Regulation.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or material inaccuracy relating to the information contained in this Base Prospectus which may affect the assessment of any Notes and whose inclusion in or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, profits and losses, financial position, and prospects of the Issuer, the rights attaching to the Notes, and the reason for the issuance and its impact on the Issuer, the Issuer shall prepare a supplement to this Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto or replacement Base Prospectus as such Dealer may reasonably request.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed by the relevant Final Terms. In the case of Unsubordinated Notes issued as Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on Definitive Materialised Bearer Notes. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

*All capitalised terms are defined in these Conditions and those which are not will have the meanings given to them in the relevant Final Terms.*

An agency agreement dated 8 March 2024 (as amended or supplemented from time to time, the “**Agency Agreement**”) has been agreed between Arkema (“**Arkema**” or the “**Issuer**”), Uptevia as fiscal agent and the other agents named in it. The fiscal agent, the paying agents, the redenomination agent, the consolidation agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Redenomination Agent**”, the “**Consolidation Agent**” and the “**Calculation Agent(s)**”. The holders of Dematerialised Notes and Materialised Notes, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the “**Talons**”) for further Coupons (the “**Couponholders**”) and the holders of the receipts (the “**Receipts**”) for the payment of instalments of principal (the “**Receiptholders**”) relating to Materialised Notes of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them. In respect of Condition 6(d), Uptevia will not act as Calculation Agent and the Issuer has appointed Aether Financial Services as an independent calculation agent (the “**Make-Whole Calculation Agent**”) in respect of such Condition. In respect of Materialised Notes (as defined below), Uptevia will not act as Fiscal Agent, Paying Agents or Calculation Agent and the Issuer will appoint any relevant agent (which will be specified in the relevant Final Terms).

References below to “**Conditions**” are, unless the context requires otherwise, to the numbered paragraphs below.

For the purpose of these Conditions, “**Regulated Market**” means any regulated market situated in a Member State of the European Economic Area (“**EEA**”) as defined in the Markets in Financial Instruments Directive 2014/65/EU, as amended from time to time.

### 1 Form, Denomination(s), Title and Redenomination

- (a) **Form:** Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (other than Subordinated Notes) (“**Materialised Notes**”).

Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* (the “**Code**”) by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the Code) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer and as specified in the relevant Final Terms (the “**Final Terms**”), in either bearer dematerialised form (*au porteur*), in which case they are inscribed in the books of Euroclear France (acting as central depository) (“**Euroclear France**”) which shall credit the accounts of Account Holders, or in registered dematerialised form (*au nominatif*) and, in such latter

case, at the option of the relevant Noteholder in either administered registered form (*au nominatif administré*) inscribed in the books of an Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Issuer or the registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the “**Registration Agent**”).

The Issuer may require the identification of the Noteholders in accordance with French law unless such right is expressly excluded in the relevant Final Terms.

For the purpose of these Conditions, “**Account Holder**” means any financial intermediary institution entitled directly or indirectly to hold accounts on behalf of its customers with Euroclear France, and includes the depositary bank for Clearstream Banking, S.A. (“**Clearstream**”) and Euroclear Bank SA/NV (“**Euroclear**”).

Unsubordinated Notes issued as Materialised Notes are issued in bearer form (“**Materialised Bearer Notes**”). Materialised Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

*In accordance with Articles L.211-3 and R.211-1 of the Code, securities (such as Notes) which are governed by French law and are in materialised form must be issued outside the French territory.*

(b) **Denomination(s):**

Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the “**Specified Denomination(s)**”) save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market in circumstances which require the publication of a Base Prospectus under the Prospectus Regulation will be at least €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. Dematerialised Notes shall be issued in one Specified Denomination only.

(c) **Title:**

- (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Issuer or of the Registration Agent.
- (ii) Title to Materialised Bearer Notes in definitive form having, where appropriate, Coupons, Receipt(s) and/or a Talon attached thereto on issue (“**Definitive Materialised Bearer Notes**”), shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
- (iv) In these Conditions, “**holder of Notes**”, “**holder of any Note**”, “**holder of Subordinated Notes**”, “**holder of Unsubordinated Notes**” or “**Noteholder**” means (i) in the case of Dematerialised

Notes, the person whose name appears in the account of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any Definitive Materialised Bearer Note and the Receipts, Coupons, or Talon relating to it, and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

(d) **Redenomination:**

- (i) The Issuer may (if so specified in the relevant Final Terms), on any Interest Payment Date, without the consent of the holder of any Note, Receipt, Coupon or Talon, by giving at least 30 calendar days' notice in accordance with Condition 15 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty on the Functioning of the European Union, as amended from time to time (the "**Treaty**")), or events have occurred which have substantially the same effects, redenominate all, but not some only, of the Notes of any Series (as defined below) into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the "**Redenomination Date**".
- (ii) The redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to applicable regulations of the Treaty and rounding the resultant figure to the nearest €0.01 (with €0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 15. Any balance remaining from the redenomination with a denomination higher than €0.01 shall be paid by way of cash adjustment rounded to the nearest €0.01 (with €0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to Noteholders by the Issuer.
- (iii) Upon redenomination of the Notes, any reference in the relevant Final Terms to the relevant national currency shall be construed as a reference to Euro.
- (iv) In connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 14, the Issuer may without the consent of the holder of any Note, Receipt, Coupon or Talon but with the prior approval of the Redenomination Agent and the Consolidation Agent, make any changes or additions to these Conditions or Condition 14 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 15 as soon as practicable thereafter.
- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting

from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

## 2 Conversion and Exchanges of Notes

### (a) Dematerialised Notes:

- (i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted into Dematerialised Notes in registered dematerialised form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).
- (ii) Dematerialised Notes issued in registered dematerialised form (*au nominatif*) may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the Noteholder, be converted into Notes in administered registered form (*au nominatif administré*), and vice versa. The exercise of any such option by such Noteholder shall be made in accordance with Article R.211-4 of the Code. Any such conversion shall be effected at the cost of such Noteholder.

### (b) Materialised Notes:

Materialised Bearer Notes of one Specified Denomination may not be exchanged for Materialised Bearer Notes of another Specified Denomination. There will no Materialised Bearer Notes in respect of Subordinated Notes.

## 3 Status of the Notes

The obligations of the Issuer under the Notes may be either unsubordinated (the “**Unsubordinated Notes**”) or, ordinary subordinated (the “**Ordinary Subordinated Notes**”) or deeply subordinated (the “**Deeply Subordinated Notes**”), in each case, as specified in the relevant Final Terms (the Deeply Subordinated Notes and/or the Ordinary Subordinated Notes, the “**Subordinated Notes**”).

### (a) Unsubordinated Notes

The Unsubordinated Notes and, where applicable, any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4(a)) unsecured obligations of the Issuer and rank and will at all times rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

### (b) Subordinated Notes

#### (i) Ordinary Subordinated Notes

The Ordinary Subordinated Notes are issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce*. The principal and interest and other amounts (including Arrears of Interest (as defined below) and/or Additional Interest Amounts (as defined below)) on the Ordinary Subordinated Notes constitute direct, unconditional, unsecured and Ordinary Subordinated Obligations (as defined below) of the Issuer and rank and will rank *pari passu* among themselves and *pari passu* with all other present or future Ordinary Subordinated Obligations and shall rank in priority to Equity Securities, Deeply Subordinated Obligations, the *titres participatifs* issued by, and the *prêts participatifs* granted to, the Issuer, but shall be subordinated to Unsubordinated Obligations of, or issued by, the Issuer.



For the purpose of these Conditions:

“**Deeply Subordinated Obligations**” means any Deeply Subordinated Notes<sup>1</sup> or other Obligations or lowest ranking Obligations (*engagements subordonnés de dernier rang*) of the Issuer which rank, or are expressed to rank, *pari passu* with the Deeply Subordinated Notes.

“**Obligations**” means, in respect of any person, any financial obligation expressed to be assumed by or imposed on it under or arising as a result of any contract, agreement, guarantee, document, instrument, conduct or relationship or directly by law.

“**Ordinary Subordinated Obligations**” means any Obligations which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank *pari passu* among themselves and *pari passu* with all other present or future Ordinary Subordinated Obligations and in priority to the *prêts participatifs* granted to, and the *titres participatifs* issued by, the Issuer, Deeply Subordinated Obligations and Equity Securities but subordinated to Unsubordinated Obligations.

“**Unsubordinated Obligations**” means any Obligations which constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank and will rank *pari passu* without preference or priority among themselves, *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer (save for certain obligations required to be preferred by French law), and in priority to Ordinary Subordinated Obligations.

(ii) **Deeply Subordinated Notes**

The Deeply Subordinated Notes are issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce*. The principal and interest and other amounts (including Arrears of Interest (as defined below) and/or Additional Interest Amounts (as defined below)) on the Deeply Subordinated Notes constitute direct, unconditional, unsecured and Deeply Subordinated Obligations of the Issuer and rank and will rank *pari passu* among themselves and *pari passu* with all other present or future Deeply Subordinated Obligations and shall rank in priority to Equity Securities but shall be subordinated to the *titres participatifs* issued by, and the *prêts participatifs* granted to, the Issuer, to Ordinary Subordinated Obligations and to Unsubordinated Obligations of or issued by the Issuer.

(iii) **Payment on the Subordinated Notes in the event of the liquidation of the Issuer**

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or in the event of the voluntary dissolution of the Issuer, or if the Issuer is liquidated for any other reason (and in all cases listed above, other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency whereby the surviving entity assumes all obligations of the Issuer under the Subordinated Notes), the payments of the creditors of the Issuer shall be made in the following order of priority (in each case subject to the payment in full of priority creditors):

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<sup>1</sup> For information purposes only, the Deeply Subordinated Notes include, as at the date of this Base Prospectus, the Euro 400,000,000 Undated Deeply Subordinated Fixed Rate Resetable Notes issued on 17 June 2019 (ISIN: FR0013425170) and the Euro 300,000,000 Undated Deeply Subordinated Fixed Rate Resetable Notes issued on 21 January 2020 (ISIN: FR0013478252).

- (i) unsubordinated creditors of the Issuer (including creditors of Unsubordinated Obligations (such as the Unsubordinated Notes));
- (ii) ordinary subordinated creditors of the Issuer (including creditors of Ordinary Subordinated Obligations (such as the Ordinary Subordinated Notes));
- (iii) lenders in relation to *prêts participatifs* granted to the Issuer;
- (iv) holders of *titres participatifs* issued by the Issuer; and
- (v) deeply subordinated creditors of the Issuer (including creditors of Deeply Subordinated Obligations (such as the Deeply Subordinated Notes)).

For such purposes, the rights of the holders of Subordinated Notes will be calculated on the basis of the principal amount of the Subordinated Notes together with any accrued interest on such principal amount and any Arrears of Interest (including any Additional Interest Amount thereon).

In the event of liquidation of the Issuer, the Ordinary Subordinated Notes shall rank in priority to any payments to the holders of *titres participatifs* issued by the Issuer, the lenders in relation to *prêts participatifs* granted to the Issuer, the deeply subordinated creditors of the Issuer, and to holders of Equity Securities.

In the event of liquidation of the Issuer, the Deeply Subordinated Notes shall rank in priority only to any payments to holders of Equity Securities.

In the event of incomplete payment of unsubordinated creditors, the obligations of the Issuer in connection with any present or future Subordinated Obligations (including the Ordinary Subordinated Notes and the Deeply Subordinated Notes) shall be terminated.

“**Equity Securities**” means (a) the ordinary shares (*actions ordinaires*) of the Issuer and (b) any other class of the Issuer’s share capital (including preference shares (*actions de préférence*)).

“**Subordinated Obligations**” means Ordinary Subordinated Obligations and/or Deeply Subordinated Obligations.

The Subordinated Notes may be either dated with a fixed maturity date (the “**Dated Subordinated Notes**”) or undated with no fixed maturity date (“**Undated Subordinated Notes**”).

- (iv) Prohibition of set-off

Subject to applicable law, no holder of Subordinated Notes may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with any Subordinated Notes and each holder of Subordinated Notes shall, by virtue of its holding of any Subordinated Note, be deemed to have waived all such rights of set-off, compensation or retention.

## 4 Negative Pledge

### (a) Unsubordinated Notes

So long as any of the Unsubordinated Notes or, if applicable, any Receipts or Coupons relating to them, remain outstanding (as defined below), the Issuer will not, and will ensure that none of its Principal Subsidiaries (as defined below) will, create or permit to subsist any mortgage, lien, charge, pledge (other than a lien arising by operation of law) or other form of security interest (*sûreté réelle*) (“**Security**”) upon any of their respective assets or revenues, present or future, to secure (i) any Relevant Debt (as defined below) or (ii) any guarantee or indemnity in respect of any Relevant Debt unless, at the same

time or prior thereto, the Issuer's obligations under the Unsubordinated Notes (a) are equally and rateably secured therewith or (b) have the benefit of such other security or other arrangement as shall be approved by the *Masse* (as defined in Condition 11) pursuant to Condition 11.

(b) **Subordinated Notes**

There will be no negative pledge in respect of the Subordinated Notes.

(c) **Definitions**

For the purposes of the Conditions:

“**outstanding**” means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption monies (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in the case of Notes which are Dematerialised Notes in bearer form and in administered registered form, to the relevant Account Holders on behalf of the holder of Notes as provided in Condition 7(a), (ii) in the case of Notes which are Dematerialised Notes in fully registered form, to the account of the Noteholder as provided in Condition 7(a) and (iii) in the case of Unsubordinated Notes which are Materialised Notes, to the Fiscal Agent and remain available for payment against presentation and surrender of Unsubordinated Notes which are Materialised Bearer Notes, Receipts and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in these Conditions, (e) in the case of Unsubordinated Notes which are Materialised Notes (i) those mutilated or defaced Materialised Bearer Notes that have been surrendered in exchange for replacement Materialised Bearer Notes, (ii) (for the purpose only of determining how many such Materialised Bearer Notes are outstanding and without prejudice to their status for any other purpose) those Materialised Bearer Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Materialised Bearer Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Bearer Notes, pursuant to its provisions.

“**Relevant Debt**” means any present or future indebtedness for borrowed money in the form of, or represented by, bonds or notes (*obligations*) or other debt securities (including *titres de créances négociables*), issued by the Issuer or any of its Principal Subsidiaries, which are for the time being, or are capable of being, quoted, admitted to trading or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.

“**Subsidiary**” means, in relation to any person or entity at any time, any other person or entity controlled directly or indirectly by such person or entity within the meaning of Articles L.233-1 and L.233-3 of the French *Code de commerce*.

“**Principal Subsidiary**” means, at any relevant time, a Subsidiary of the Issuer whose capital employed represents more than five per cent. (5%) of the consolidated capital employed of the Group or whose turnover represents more than five per cent. (5%) of the consolidated turnover of the Group.

“**Capital employed**” means the capital employed calculated by aggregating the net carrying amounts of intangible assets, property, plant and equipment, equity affiliate investments and loans, other investments, other non-current assets (excluding deferred tax assets) and working capital.

“**Group**” means the Issuer and its Subsidiaries taken as a whole.

## 5 Interest and other Calculations

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Adjustment Spread**” means either a spread (which may be positive or negative), or the formula or the methodology for calculating a spread, in either case, which the Independent Adviser determines and which is required to be applied to the Successor Rate or the Alternative Rate, as the case may be, to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit, as the case may be, to Noteholders, Receiptholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate, as the case may be, and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (ii) the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate, as the case may be; or (if the Issuer determines that no such industry standard is recognised or acknowledged);
- (iii) the Independent Adviser determines to be appropriate.

“**Alternative Mid-Swap Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5(b)(ii)(C)(b) and which is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Subordinated Notes.

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5(c)(iii)(D)(b) and which is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

“**Benchmark Amendments**” has the meaning given to it in Condition 5(c)(iii)(D)(d).

“**Benchmark Event**” means:

- (i) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or

- (v) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that in the case of sub-paragraphs (ii), (iii) and (iv), the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement.

**“Business Day”** means:

- (i) in the case of euro, a day on which the real time gross settlement system operated by the Eurosystem, or any successor system (the “**T2**”) is open for the settlement of payments in euro (a “**TARGET Business Day**”); and/or
- (ii) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets settle payments in Renminbi in Hong Kong and in the relevant Business Centre(s) (if any); and/or
- (iii) in the case of a specified currency other than euro and Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (iv) in the case of a currency and/or one or more Business Centres specified in the relevant Final Terms (the “**Business Centre(s)**”), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

**“Day Count Fraction”** means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” or “**Act/Act**” or “**Act/Act (ISDA)**” is specified in the relevant Final Terms, the actual number of calendar days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of calendar days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of calendar days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 – FBF**” is specified in the relevant Final Terms, the fraction whose numerator is the actual number of calendar days elapsed during the Calculation Period and whose denominator is 365. If part of that Calculation Period falls in a leap year, **Actual/365 – FBF** shall mean the sum of (i) the fraction whose numerator is the actual number of calendar days elapsed during the non-leap year and whose denominator is 365 and (ii) the fraction whose numerator is the number of actual calendar days elapsed during the leap year and whose denominator is 366;
- (iii) if “**Actual/Actual – FBF**” is specified in the relevant Final Terms in respect of each calculation, the fraction whose numerator is the actual number of calendar days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period);
- (iv) if “**Actual/Actual – ICMA**” is specified in the relevant Final Terms:
  - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of calendar days in the Calculation Period divided by the product of

(x) the number of calendar days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

- the number of calendar days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of calendar days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- the number of calendar days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of calendar days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

in each case where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date, and

“**Determination Date**” means the date specified as such in the relevant Final Terms or, if none is specified, the Interest Payment Date;

- (v) if “**Actual/365 (Fixed)**” is specified in the relevant Final Terms, the actual number of calendar days in the Calculation Period divided by 365;
- (vi) if “**Actual/360**” is specified in the relevant Final Terms, the actual number of calendar days in the Calculation Period divided by 360;
- (vii) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DAY COUNT FRACTION} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30; and

- (viii) if “**30E/360**” or “**Eurobond Basis**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DAY COUNT FRACTION} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

- (ix) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DAY COUNT FRACTION} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30.

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

“**FBF**” means the *Fédération Bancaire Française*.

“**FBF Definitions**” means the definitions set out in the June 2013/2007 FBF Master Agreement relating to transactions on forward financial instruments and the technical schedules (*additifs techniques*) published from time to time by the FBF, as may be supplemented or amended as at the Issue Date.

“**First Reset Date**” has the meaning specified as such in the relevant Final Terms provided, however, that if the date specified in the relevant Final Terms is not a Business Day, then such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day.

“**First Reset Period**” means the period from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if none, (x) in respect of Dated Subordinated Notes, the Maturity Date or (y) in respect of Undated Subordinated Notes, the date on which such Undated Subordinated Notes are redeemed, if any.

“**First Reset Rate of Interest**” means the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the Mid-Swap Rate for the First Reset Period and the Initial Margin.

“**Initial Margin**” means the percentage specified as such in the relevant Final Terms.

“**Initial Rate of Interest**” has the meaning specified as such in the relevant Final Terms.

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5(b)(ii)(C)(a) and/or Condition 5(c)(iii)(D)(a).

“**Interest Accrual Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“**Interest Amount**” means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be.

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the relevant Final Terms.

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period or the interest amount in relation to RMB Notes, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling (and in such case only if the relevant Reference Rate is not SONIA) or (iii) the day falling two Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro and if the relevant Reference Rate is not SONIA or (iv) (where SONIA is specified as the Reference Rate in the applicable Final Terms) the fifth London Business Day (or as otherwise specified in the applicable Final Terms) prior to the last day of each Interest Accrual Period.

“**Interest Payment Date**” means the date(s) specified in the relevant Final Terms.

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and



including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“**Interest Period Date**” means each Interest Payment Date or such other date(s) specified in the relevant Final Terms.

“**ISDA Definitions**” means the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc., as may be supplemented or amended as at the Issue Date.

“**Mid-Market Swap Rate**” means, for any Reset Period, the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Subordinated Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the relevant Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent).

“**Mid-Market Swap Rate Quotation**” means a quotation (expressed as a percentage rate *per annum*) for the relevant Mid-Market Swap Rate.

“**Mid-Swap Adjustment Spread**” means either a spread (which may be positive or negative), or the formula or the methodology for calculating a spread, in either case, which the Independent Adviser determines and which is required to be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, as the case may be, to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit, as the case may be, to holders of Subordinated Notes as a result of the replacement of the Original Mid-Swap Rate with the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, as the case may be, and is the spread, formula or methodology which:

- (i) in the case of a Successor Mid-Swap Rate, is formally recommended in relation to the replacement of the Original Mid-Swap Rate with the Successor Mid-Swap Rate by any Relevant Nominating Body; or
- (ii) if no such recommendation has been made, or in the case of an Alternative Mid-Swap Rate, the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Mid-Swap Rate, where such rate has been replaced by the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, as the case may be; or
- (iii) if the Independent Adviser determines that no such industry standard is recognised or acknowledged, the Independent Adviser, acting in good faith, determines to be appropriate.

“**Mid-Swap Benchmark Amendments**” has the meaning given to it in Condition 5(b)(ii)(C)(d).

“**Mid-Swap Benchmark Event**” means:

- (i) the Original Mid-Swap Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Mid-Swap Rate that it has ceased or that it will cease publishing the Original Mid-Swap Rate permanently or indefinitely (in

circumstances where no successor administrator has been appointed that will continue publication of the Original Mid-Swap Rate); or

- (iii) a public statement by the supervisor of the administrator of the Original Mid-Swap Rate, that the Original Mid-Swap Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Mid-Swap Rate as a consequence of which the Original Mid-Swap Rate will be prohibited from being used either generally, or in respect of the Subordinated Notes; or
- (v) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any holder of the Subordinated Notes using the Original Mid-Swap Rate,

provided that in the case of sub-paragraphs (ii), (iii) and (iv), the Mid-Swap Benchmark Event shall occur on the date of the cessation of publication of the Original Mid-Swap Rate, the discontinuation of the Original Mid-Swap Rate, or the prohibition of use of the Original Mid-Swap Rate, as the case may be, and not the date of the relevant public statement.

**“Mid-Swap Floating Leg Benchmark Rate”** means EURIBOR or such other reference rate as may be specified in the relevant Final Terms;

**“Mid-Swap Maturity”** has the meaning specified as such in the relevant Final Terms;

**“Mid-Swap Rate”** means, in relation to a Reset Period, the mid-swap rate for swaps in the Specified Currency:

- (i) with a term equal to such Reset Period; and
- (ii) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page as at approximately the Relevant Screen Page Time on the relevant Reset Determination Date, all as determined by the Calculation Agent.

**“Original Mid-Swap Rate”** means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Subordinated Notes as specified in the relevant Final Terms.

**“Original Reference Rate”** means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Subordinated Notes as specified in the relevant Final Terms.

**“Rate of Interest”** means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

**“Reference Banks”** means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market or, if otherwise, the principal offices of five major banks in the Relevant Inter-Bank Market, in each case selected by the Calculation Agent or as specified in the relevant Final Terms.

**“Reference Rate”** means the rate specified as such in the relevant Final Terms (or any Successor Rate or Alternative Rate).

**“Relevant Inter-Bank Market”** means such inter-bank market as may be specified in the relevant Final Terms.

**“Relevant Nominating Body”** means, in respect of a benchmark or screen rate, as applicable:

- (i) the central bank for the currency to which the benchmark or screen rate, as applicable, relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate, as applicable; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate, as applicable, relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate, as applicable, (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

**“Relevant Screen Page”** means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service).

**“Relevant Screen Page Time”** means such time as may be specified in the relevant Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service).

**“RMB Note”** means an Unsubordinated Note denominated in Renminbi.

**“Reset Date”** means each of the First Reset Date, the Second Reset Date and any Subsequent Reset Date, as applicable.

**“Reset Determination Date”** means, in respect of a Reset Period, the date specified as such in the relevant Final Terms provided, however, that if the date specified in the relevant Final Terms is not a Business Day, then such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day.

**“Reset Period”** means each of the First Reset Period or any Subsequent Reset Period, as applicable.

**“Second Reset Date”** means the date specified as such in the relevant Final Terms.

**“Subsequent Reset Date”** means each date specified as such in the relevant Final Terms.

**“Subsequent Reset Period”** means the period from (and including) the Second Reset Date to (but excluding) the next occurring Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next occurring Subsequent Reset Date.

**“Subsequent Reset Rate of Interest”** means, in respect of any Subsequent Reset Period, the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the Initial Margin together with any Subsequent Step-Up Margin applicable to this Subsequent Reset Period .

**“Subsequent Step-Up Margin”** means each percentage specified as such in the relevant Final Terms.

**“Successor Mid-Swap Rate”** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body. If, following a Benchmark Event, more than one successor or replacement rates are recommended by any Relevant Nominating Body, the Independent Adviser shall determine which of those successor or replacement rates is the most appropriate, taking into consideration, without limitation, the particular features of the relevant Subordinated Notes and the nature of the Issuer.

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body. If, following a Benchmark Event, more than one successor or replacement rates are recommended by any Relevant Nominating Body, the Independent Adviser shall determine which of those successor or replacement rates is the most appropriate, taking into consideration, without limitation, the particular features of the relevant Notes and the nature of the Issuer.

“**Specified Currency**” means the currency specified as such in the relevant Final Terms.

(b) **Interest on Fixed Rate Notes and Fixed Rate Resettable Notes:**

(i) *Fixed Rate Notes:*

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears on each Interest Payment Date.

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

(ii) *Fixed Rate Resettable Notes:*

(A) Rate of Interest for Resettable Notes: If a Subordinated Note is specified in the relevant Final Terms as Fixed Rate Resettable (“**Fixed Rate Resettable Notes**”), it will bear interest on its outstanding nominal amount at a Rate of Interest which will initially be a fixed rate and will then be resettable as provided below:

The Rate of Interest in respect of an Interest Period will be as follows:

- (1) For each Interest Period falling in the period from (and including) the Interest Commencement Date to (but excluding) the First Reset Date, the Initial Rate of Interest;
- (2) For each Interest Period falling in the First Reset Period, the First Reset Rate of Interest; and
- (3) For each Interest Period falling in any Subsequent Reset Period(s) thereafter, the Subsequent Reset Rate of Interest in respect of the relevant Subsequent Reset Period(s).

(B) *Fallback provisions for Fixed Rate Resettable Notes:*

If on any Reset Determination Date, the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page as of the Relevant Screen Page Time on the relevant Reset Determination Date, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately the Relevant Screen Page Time on the Reset Determination Date in question.

If on any Reset Determination Date, at least three of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as the case may be, for the relevant Reset Period will be the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest)

and the lowest (or, in the event of equality, one of the lowest) plus the Initial Margin together with any Subsequent Step-Up Margin applicable to the relevant Reset Period, as the case may be, all as determined by the Calculation Agent.

If on any Reset Determination Date only two relevant quotations are provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as the case may be, for the relevant Reset Period will be the arithmetic mean (rounded as aforesaid) of the relevant quotations provided plus the Initial Margin together with any Subsequent Step-Up Margin applicable to the relevant Reset Period, as the case may be, all as determined by the Calculation Agent.

If on any Reset Determination Date, only one relevant quotation is provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as the case may be, for the relevant Reset Period will be the relevant quotation provided plus the Initial Margin together with any Subsequent Step-Up Margin applicable to the relevant Reset Period, as the case may be, all as determined by the Calculation Agent.

If on any Reset Determination Date, none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided above, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as the case may be, shall be the Rate of Interest as at the last preceding Reset Date or, if none, the Initial Rate of Interest.

However, notwithstanding the above, in the case of a Mid-Swap Benchmark Event, Condition 5(b)(ii)(C) below shall apply.

*(C) Benchmark discontinuation for Fixed Rate Resettable Notes:*

*(a) Independent Adviser*

If a Mid-Swap Benchmark Event occurs in relation to an Original Mid-Swap Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Mid-Swap Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Mid-Swap Rate, failing which an Alternative Mid-Swap Rate (in accordance with Condition 5(b)(ii)(C)(b)) and, in either case, a Mid-Swap Adjustment Spread if any (in accordance with Condition 5(b)(ii)(C)(c)) and any Mid-Swap Benchmark Amendments (in accordance with Condition 5(b)(ii)(C)(d)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 5(b)(ii)(C) shall act in good faith in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith, manifest error or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, or the holders of Subordinated Notes for any determination made by it, pursuant to this Condition 5(b)(ii)(C).

If the Issuer is unable to appoint an Independent Adviser; or the Independent Adviser appointed by it fails to determine a Successor Mid-Swap Rate or, failing which, an Alternative Mid-Swap Rate in accordance with this Condition 5(b)(ii)(C)(a) prior to the relevant Reset Determination Date, the Mid-Swap Rate applicable for the relevant Reset Period will be equal to the last Mid-Swap Rate available on the Relevant Screen Page as determined by the Calculation Agent.

Notwithstanding any other provision of this Condition 5(b)(ii)(C), no Successor Mid-Swap Rate or Alternative Mid-Swap Rate will be adopted, nor will the applicable Mid-Swap Adjustment Spread be applied, nor will any other related Mid-Swap Benchmark

Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to (i) result in a reduction of the amount of "equity credit" assigned to the Subordinated Notes by any Rating Agency when compared to the "equity credit" assigned to the Subordinated Notes immediately prior to the occurrence of the relevant Mid-Swap Benchmark Event from such Rating Agency or (ii) otherwise prejudice the eligibility of the Subordinated Notes for "equity credit" from any Rating Agency.

(b) Successor Mid-Swap Rate or Alternative Mid-Swap Rate

If the Independent Adviser, determines that:

- (i) there is a Successor Mid-Swap Rate, then such Successor Mid-Swap Rate shall (subject to adjustment as provided in Condition 5(b)(ii)(C)(c)) subsequently be used in place of the Original Mid-Swap Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Subordinated Notes (subject to the operation of this Condition 5(b)(ii)(C)); or
- (ii) there is no Successor Mid-Swap Rate but that there is an Alternative Mid-Swap Rate, then such Alternative Mid-Swap Rate shall (subject to adjustment as provided in Condition 5(b)(ii)(C)(c)) subsequently be used in place of the Original Mid-Swap Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Subordinated Notes (subject to the operation of this Condition 5(b)(ii)(C)).

(c) Mid-Swap Adjustment Spread

If the Independent Adviser determines (i) that a Mid-Swap Adjustment Spread is required to be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Mid-Swap Adjustment Spread, then such Mid-Swap Adjustment Spread shall be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate (as the case may be).

(d) Mid-Swap Benchmark Amendments

If any Successor Mid-Swap Rate, Alternative Mid-Swap Rate or Mid-Swap Adjustment Spread is determined in accordance with this Condition 5(b)(ii)(C) and the Independent Adviser determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Mid-Swap Rate, Alternative Mid-Swap Rate and/or Mid-Swap Adjustment Spread (such amendments, the "**Mid-Swap Benchmark Amendments**") and (ii) the terms of the Mid-Swap Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(b)(ii)(C)(e), without any requirement for the consent or approval of the holders of Subordinated Notes, vary these Conditions to give effect to such Mid-Swap Benchmark Amendments with effect from the date specified in such notice.

For the avoidance of doubt, and in connection with any such variation in accordance with this Condition 5(b)(ii)(C)(d), the Issuer shall comply with the rules of any stock exchange on which the Subordinated Notes are for the time being listed or admitted to trading.

(e) Notices

Any Successor Mid-Swap Rate, Alternative Mid-Swap Rate, Mid-Swap Adjustment Spread and the specific terms of any Mid-Swap Benchmark Amendments, determined under this Condition 5(b)(ii)(C) will be notified promptly by the Issuer, after receiving such information from the Independent Adviser, to the Fiscal Agent, the Calculation Agent, the Paying Agents, the Representative of the *Masse* (if any) and, in accordance with Condition 15, the holders of Subordinated Notes. Such notice shall be irrevocable and shall specify the effective date of the Mid-Swap Benchmark Amendments, if any.

The Successor Mid-Swap Rate or, as the case may be, the Alternative Mid-Swap Rate and, where applicable, the Mid-Swap Adjustment Spread (if any) and/or the specific terms of the Mid-Swap Benchmark Amendments (if any) specified in such notice, will (in the absence of manifest error or bad faith in the determination of the Successor Mid-Swap Rate or Alternative Mid-Swap Rate and the Mid-Swap Adjustment Spread (if any) and the Mid-Swap Benchmark Amendments (if any)) be final and binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agent and the holders of Subordinated Notes.

(f) Survival of Original Mid-Swap Rate

Without prejudice to the obligations of the Issuer under Condition 5(b)(ii)(C)(a), (b), (c) and (d), the Original Mid-Swap Rate and the fallback provisions provided for in Condition 5(b)(ii)(C) will continue to apply unless and until a Mid-Swap Benchmark Event has occurred.

This Condition 5(b)(ii) is only applicable to Subordinated Notes.

(c) **Interest on Floating Rate Notes and Inflation Linked Notes:**

- (i) *Interest Payment Dates:* Each Floating Rate Note and Inflation Linked Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day. Notwithstanding the foregoing, where the applicable Final Terms specify that the relevant Business Day Convention

is to be applied on an “unadjusted” basis, the Interest Amount payable on any date shall not be affected by the application of the Business Day Convention.

- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to either FBF Determination, ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(A) *FBF Determination for Floating Rate Notes:*

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant FBF Rate. For the purposes of this sub-paragraph (A), “**FBF Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent for a Transaction under the terms of an agreement incorporating the FBF Definitions and under which:

- (a) the Floating Rate is as specified in the relevant Final Terms; and
- (b) the relevant Floating Rate Determination Date is the first calendar day of that Interest Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (A), “**Floating Rate**” (*Taux Variable*), “**Floating Rate Determination Date**” (*Date de Détermination du Taux Variable*) and “**Transaction**” (*Transaction*) have the meanings given to those terms in the FBF Definitions.

(B) *ISDA Determination for Floating Rate Notes:*

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (B), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the relevant Final Terms;
- (b) the designated Maturity is a period specified in the relevant Final Terms; and
- (c) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (B), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(C) *Screen Rate Determination for Floating Rate Notes:*

- (a) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:



- (i) the offered quotation or
- (ii) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either (i) 11:00 a.m. (Brussels time in the case of EURIBOR) or (ii) if otherwise, the Relevant Screen Page Time on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (b) If the Relevant Screen Page is not available or if sub-paragraph (a)(i) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (a)(ii) applies and fewer than three such offered quotations appear on the Relevant Screen Page, subject as provided below, the Calculation Agent shall request, (i) if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, or (ii) if otherwise, each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time) or, if otherwise, at the Relevant Screen Page Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.
- (c) If paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time) or, if otherwise, at the Relevant Screen Page Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, or, if otherwise, the Relevant Inter-Bank Market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time), or, if otherwise, at the Relevant Screen Page Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro zone inter-bank market, or, if

otherwise, the Relevant Inter-Bank Market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (d) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being CMS Rate, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be determined by the Calculation Agent by reference to the following formula:

$$\text{CMS Rate} + \text{Margin}$$

If the Relevant Screen Page is not available at the Specified Time on the relevant Interest Determination Date: (i) the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate at approximately the Specified Time on the relevant Interest Determination Date; (ii) if at least three of the CMS Reference Banks provide the Calculation Agent with such quotations, the CMS Rate for such Interest Accrual Period shall be the arithmetic mean of such quotations, eliminating the highest quotation (or, in the event of equality, one of the highest quotations and the lowest quotation (or, in the event of equality, one of the lowest quotations) and (iii) if on any Interest Determination Date less than three or none of the CMS Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent on such commercial basis as considered appropriate by the Calculation Agent in its absolute discretion, in accordance with the then prevailing standard market practice.

For the purposes of this sub-paragraph (d):

“**CMS Rate**” shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the Specified Time on the relevant Interest Determination Date in question, all as determined by the Calculation Agent.

“**CMS Reference Banks**” means (i) where the Reference Currency is Euro, the principal office of five leading swap dealers in the inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Reference Currency is U.S. dollar, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market, in each case selected by the Calculation Agent.

**“Reference Currency”** means the currency specified as such in the applicable Final Terms.

**“Relevant Financial Centre”** means, with respect to a Reference Currency, the financial centre specified as such in the applicable Final Terms.

**“Designated Maturity”, “Margin”, “Specified Time” and “Relevant Screen Page”** shall have the meaning given to those terms in the applicable Final Terms.

**“Relevant Swap Rate”** means:

- (i) where the Reference Currency is Euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Accrual Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **“ISDA Definitions”**)) with a designated maturity determined by the Calculation Agent by reference to the then prevailing standard market practice or the ISDA Definitions;
- (ii) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Accrual Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;
- (iii) where the Reference Currency is U.S. dollar, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Accrual Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and

- (iv) where the Reference Currency is any other currency or if the Final Terms specify otherwise, the mid-market swap rate as determined in accordance with the applicable Final Terms.

“**Representative Amount**” means an amount that is representative for a single transaction in the relevant market at the relevant time, as determined by the Calculation Agent.

- (e) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being €STR, the €STR rate of interest determination method, as specified in the relevant Final Terms (the “**€STR Rate of Interest Determination**”), in which the Rate of Interest is to be determined could be either €STR Lookback Compound or €STR Shift Compound as follows:
- (x) if €STR Lookback Compound is specified as applicable in the relevant Final Terms, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be €STR-LOOKBACK-COMPOUND plus or minus (as indicated in the Final Terms) the Margin (if any); or
- (y) if €STR Shift Compound is specified as applicable in the relevant Final Terms, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be €STR-SHIFT-COMPOUND plus or minus (as indicated in the Final Terms) the Margin (if any);

For the purpose of this Condition 5(c)(iii)(C)(e):

“**€STR-LOOKBACK-COMPOUND**” means the rate of return of a daily compounded interest investment (with the daily euro short-term rate as the reference rate for the calculation of interest) which will be calculated by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{€STR}_{i-p\text{TBD}} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

Where:

“**d**” is the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>0</sub>**” is the number of TARGET Business Days in the relevant Interest Accrual Period;

“**€STR<sub>i-pTBD</sub>**” means, in respect of any TARGET Business Day falling in the relevant Interest Accrual Period, the €STR for the TARGET Business Day falling “p” TARGET Business Days prior to the relevant TARGET Business Day “i”;

“**i**” is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant TARGET Business Day in chronological order from, and including, the first

TARGET Business Day in the relevant Interest Accrual Period to, and including, the last TARGET Business Day in such Interest Accrual Period;

“**n<sub>i</sub>**” for any TARGET Business Day “**i**” is the number of calendar days from, and including, the relevant TARGET Business Day “**i**” up to, but excluding, the immediately following TARGET Business Day in the relevant Interest Accrual Period;

“**Observation Look-Back Period**” means the period specified in the Final Terms; and

“**p**” means in relation to any Interest Accrual Period, the number of TARGET Business Days included in the Observation Look-Back Period.

“**€STR-SHIFT-COMPOUND**” means the rate of return of a daily compounded interest investment (with the daily euro short-term rate as the reference rate for the calculation of interest) which will be calculated by the Calculation Agent (or such independent other party with appropriate expertise and international reputation responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards:

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{€STR}_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

Where:

“**d**” is the number of calendar days in the relevant Observation Period;

“**d<sub>0</sub>**” for any Observation Period, means the number of TARGET Business Days in the relevant Observation Period;

“**€STR<sub>i</sub>**” means, in respect of any TARGET Business Day falling in the relevant Observation Period, the €STR in respect of that TARGET Business Day “**i**”;

“**i**” is a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant TARGET Business Day in chronological order from (and including) the first TARGET Business Day in the relevant Observation Period to, and including, the last TARGET Business Day in such Interest Accrual Period;

“**n<sub>i</sub>**” for any TARGET Business Day “**i**” in the relevant Observation Period, means the number of calendar days from (and including) such day “**i**” up to (but excluding) the following TARGET Business Day (“**i+1**”);

“**Observation Period**” means, in respect of each Interest Accrual Period, the period from (and including) the date falling a number of TARGET Business Days equal to the Observation Shift Days preceding the first day of such Interest Accrual Period to (but excluding) the date falling a number of TARGET Business Days

equal to the Observation Shift Days preceding the Interest Payment Date for such Interest Accrual Period; and

“**Observation Shift Days**” means the number of TARGET Business Days specified in the relevant Final Terms.

If the €STR is not published, as specified above, on any particular TARGET Business Day and no €STR Index Cessation Event (as defined below) has occurred, the €STR for such TARGET Business Day shall be the rate equal to €STR in respect of the last TARGET Business Day for which such rate was published on the Website of the European Central Bank (as defined below).

If the €STR is not published, as specified above, on any particular TARGET Business Day and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, then the rate of €STR for each relevant TARGET Business Day occurring on or after such €STR Index Cessation Effective Date will be determined as if references to €STR were to the ECB Recommended Rate.

If no ECB Recommended Rate has been recommended before the end of the first TARGET Business Day following the date on which the €STR Index Cessation Event occurs, then the rate of €STR for each relevant TARGET Business Day occurring on or after the €STR Index Cessation Effective Date will be determined as if references to €STR were references to the Modified EDFR.

If an ECB Recommended Rate has been recommended and both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate of €STR for each relevant TARGET Business Day occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to €STR were references to the Modified EDFR.

Any substitution of the €STR, as specified above (the “**€STR Replacement Rate**”), will remain effective for the remaining term to maturity of the Notes.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms), (i) the Rate of Interest shall be that determined as at the last preceding Interest Determination Date, (ii) if there is no such preceding Interest Determination Date, the Rate of Interest shall be determined as if the rate of €STR for each relevant TARGET Business Day occurring on or after such €STR Index Cessation Effective Date were references to the latest published ECB Recommended Rate or, if EDFR is published on a later date than the latest published ECB Recommended Rate, the Modified EDFR; or (iii) if there is no such preceding Interest Determination Date and there is no published ECB Recommended Rate or Modified EDFR available, as if the rate of €STR for each relevant TARGET Business Day on or after such €STR Index Cessation Effective Date were references to the latest published €STR (though, in each case, substituting, where a different Margin, Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the

Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

If the Notes become due and payable in accordance with the Conditions, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Notes remains outstanding, be that determined on such date.

Any determination, decision or election that may be made by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) pursuant to this Condition 5(c)(iii)(C)(e), including any determination with respect to a rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, (i) will be conclusive and binding absent manifest error, (ii) will be made in the Calculation Agent's (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) sole discretion, acting in good faith and in a commercial and reasonable manner, and (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

Notwithstanding any provision of this Condition 5(c)(iii)(C)(e), if the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms), no €STR Replacement Rate will be adopted by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms), and the €STR Replacement Rate for the relevant Interest Accrual Period will be equal to the last €STR available, as determined by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms).

For the purpose of this Condition 5(c)(iii)(C)(e):

**“ECB Recommended Rate”** means a rate (inclusive of any spreads or adjustments) recommended as the replacement for €STR by the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator), as determined by the Issuer and notified by the Issuer to the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms);

**“ECB Recommended Rate Index Cessation Event”** means the occurrence of one or more of the following events, as determined by the Issuer and notified by the Issuer to the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms):

- (1) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate;

**“ECB Recommended Rate Index Cessation Effective Date”** means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate is no longer provided, as determined by the Issuer and notified by the Issuer to the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms);

**“ECB €STR Guideline”** means Guideline (EU) No. 2019/1265 of the European Central Bank of 10 July 2019 on the euro short-term rate (€STR) (ECB/2019/19), as amended from time to time;

**“EDFR”** means the Eurosystem Deposit Facility Rate, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem (comprising the European Central Bank and the national central banks of those countries that have adopted the Euro) as published on the Website of the European Central Bank;

**“EDFR Spread”** means:

- (1) if no ECB Recommended Rate is recommended before the end of the first TARGET Business Day following the €STR Index Cessation Effective Date, the arithmetic mean of the daily difference between the €STR and the EDFR for each of the



thirty (30) TARGET Business Days immediately preceding the date on which the €STR Index Cessation Event occurred; or

- (2) if an ECB Recommended Rate Index Cessation Event occurs, the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the thirty (30) TARGET Business Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurred;

“€STR” means, in respect of any TARGET Business Day, the interest rate representing the wholesale Euro unsecured overnight borrowing costs of banks located in the Euro area provided by the European Central Bank as administrator of such rate (or any successor administrator) and published on the Website of the European Central Bank (as defined below) at or before 9:00 a.m. (Frankfurt time) (or, in case a revised euro short-term rate is published as provided in Article 4 subsection 3 of the ECB €STR Guideline at or before 11:00 a.m. (Frankfurt time), such revised interest rate) on the TARGET Business Day immediately following such TARGET Business Day;

“€STR Index Cessation Event” means the occurrence of one or more of the following events, as determined by the Issuer and notified by the Issuer to the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms):

- (1) a public statement or publication of information by or on behalf of the European Central Bank (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide €STR; or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR;

“€STR Index Cessation Effective Date” means, in respect of an €STR Index Cessation Event, the first date on which €STR is no longer provided by the European Central Bank (or any successor administrator of €STR), as determined by the Issuer and notified by the Issuer to the Calculation Agent (or such other

independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms);

“**Modified EDFR**” means a reference rate equal to the EDFR plus the EDFR Spread;

“**Website of the European Central Bank**” means the website of the European Central Bank currently at <https://www.ecb.europa.eu> or any successor website officially designated by the European Central Bank.

- (f) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being SOFR Benchmark, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be equal to the relevant SOFR Benchmark plus or minus (as indicated in the Final Terms) the Margin (if any), all as determined by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) on the relevant Interest Determination Date.

The “**SOFR Benchmark**” will be determined based on Simple SOFR Average, Compounded Daily SOFR or Compounded SOFR Index, as specified in the relevant Final Terms (the “**SOFR Rate of Interest Determination**”), as follows:

- (x) if Simple SOFR Average (“**Simple SOFR Average**”) is specified in the relevant Final Terms as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be the arithmetic mean of the SOFR reference rates for each day during the period, as calculated by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms), and where the SOFR reference rate on the SOFR Rate Cut-Off Date shall be used for the days in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Period Date.
- (y) if Compounded Daily SOFR (“**Compounded Daily SOFR**”) is specified in the relevant Final Terms as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Interest Accrual Period (where SOFR Lag, SOFR Payment Delay or SOFR Lockout is specified as applicable in the relevant Final Terms to determine Compounded Daily SOFR) or the SOFR Observation Period (where SOFR Observation Shift is specified as applicable in the relevant Final Terms to determine Compounded Daily SOFR).

Compounded Daily SOFR shall be calculated by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) in accordance with one of the

formulas referenced below depending upon which is specified as applicable in the relevant Final Terms:

(i) SOFR Lag:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_{i-xUSBD} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards and where:

“**SOFR<sub>i-xUSBD</sub>**” for any U.S. Government Securities Business Day(i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day(i);

“**Lookback Days**” means such number of U.S. Government Securities Business Days as specified in the relevant Final Terms;

“**d**” means the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>o</sub>**” means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers ascending from one to d<sub>o</sub>, each representing the relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “**U.S. Government Securities Business Day(i)**”); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day.

(ii) SOFR Observation Shift:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards and where:

“**SOFR<sub>i</sub>**” for any U.S. Government Securities Business Day(i) in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i);

“**SOFR Observation Period**” means, in respect of an Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest

Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

“**SOFR Observation Shift Days**” means the number of U.S. Government Securities Business Days as specified in the relevant Final Terms;

“**d**” means the number of calendar days in the relevant SOFR Observation Period;

“**d<sub>o</sub>**” means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

“**i**” means a series of whole numbers ascending from one to **d<sub>o</sub>**, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period (each a “**U.S. Government Securities Business Day(i)**”); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day.

(iii) SOFR Payment Delay:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards and where:

“**SOFR<sub>i</sub>**” for any U.S. Government Securities Business Day(i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i);

“**Interest Payment Date**” shall be the number of Interest Payment Delay Days following each Interest Period Date; provided that the Interest Payment Date with respect to the final Interest Accrual Period will be the Maturity Date or, if the Issuer elects to redeem the Notes prior to the Maturity Date, the relevant Optional Redemption Date;

“**Interest Payment Delay Days**” means the number of Business Days as specified in the relevant Final Terms;

“**d**” means the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>o</sub>**” means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers ascending from one to **d<sub>o</sub>**, representing each relevant U.S. Government Securities Business Day

from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “**U.S. Government Securities Business Day(i)**”); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day.

For the purposes of calculating Compounded Daily SOFR with respect to the final Interest Accrual Period where SOFR Payment Delay is specified in the relevant Final Terms, the SOFR reference rate for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant Optional Redemption Date, as applicable, shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date.

(iv) SOFR Lockout:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards and where:

“**SOFR<sub>i</sub>**” for any U.S. Government Securities Business Day(i) in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i), except that the SOFR for any U.S. Government Securities Business Day(i) in respect of the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Accrual Period Date for such Interest Accrual Period shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date;

“**d**” means the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>o</sub>**” means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers ascending from one to **d<sub>o</sub>**, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “**U.S. Government Securities Business Day(i)**”); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day.

The following defined terms shall have the meanings set out below for the purposes of Conditions 5(c)(iii)(C)(f)(x) and 5(c)(iii)(C)(f)(y):

“**Bloomberg Screen SOFRRATE Page**” means the Bloomberg screen designated “SOFRRATE” or any successor page or service;

“**Reuters Page USDSOFR=**” means the Reuters page designated “USDSOFR=” or any successor page or service;

“**SOFR**” means, in respect of a U.S. Government Securities Business Day, the reference rate determined by the Calculation Agent (or such other independent party responsible with appropriate expertise and international repute for the calculation of the rate of interest, as specified in the relevant Final Terms) in accordance with the following provision:

- (i) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator’s Website;
- (ii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website; or
- (iii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(c)(iii)(C)(f)(aa) shall apply;

“**SOFR Rate Cut-Off Date**” means the date that is a number of U.S. Government Securities Business Days prior to the Interest Payment Date relating to the relevant Interest Accrual Period, the Maturity Date or the relevant Optional Redemption Date, as applicable, as specified in the relevant Final Terms; and

“**SOFR Determination Time**” means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day.

- (z) if Compounded SOFR Index (“**Compounded SOFR Index**”) is specified as applicable in the relevant Final Terms, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for

the calculation of the Rate of Interest, as specified in the relevant Final Terms) as follows:

$$\left( \frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \left( \frac{360}{d_c} \right)$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards and where:

“**SOFR Index**” means, in respect of a U.S. Government Securities Business Day, the SOFR Index value as published on the SOFR Administrator’s Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, provided that:

- (a) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the “SOFR Index” shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the Compounded Daily SOFR formula described above in Condition 5(c)(iii)(C)(f)(y)(ii) “SOFR Observation Shift”, and the term “SOFR Observation Shift Days” shall mean 5 U.S. Government Securities Business Days; or
- (b) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(c)(iii)(C)(f)(aa) shall apply;

“**SOFR Index<sub>End</sub>**” means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the relevant Final Terms prior to the Interest Period Date for such Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date);

“**SOFR Index<sub>start</sub>**” means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the relevant Final Terms prior to the first day of such Interest Accrual Period;

“**SOFR Index Determination Time**” means, in respect of a U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

“**SOFR Observation Period**” means, in respect of an Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

“**SOFR Observation Shift Days**” means the number of U.S. Government Securities Business Days as specified in the relevant Final Terms; and

“**d**” means the number of calendar days in the applicable SOFR Observation Period.

If the Notes become due and payable in accordance with the Conditions, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which the Notes became due and payable and the Rate of Interest on the Notes shall, for so long as the Notes remain outstanding, be that determined on such date.

The following defined terms shall have the meanings set out below for purpose of this Condition 5(c)(iii)(C)(f):

“**Alternate Agent**” means an independent financial institution of international repute with appropriate expertise appointed by the Issuer;

“**SOFR Administrator’s Website**” means the website of the Federal Reserve Bank of New York (currently, being <https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index>), or any successor source;

“**SOFR Benchmark Replacement Date**” means the Benchmark Replacement Date with respect to the then-current Benchmark;

“**SOFR Benchmark Transition Event**” means the occurrence of a Benchmark Transition Event with respect to the then-current Benchmark;

“**U.S. Government Securities Business Day**” means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (aa) For the purpose of this Condition 5(c)(iii)(C)(f), if the Calculation Agent or, as the case may be, the Alternate Agent determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.

In connection with the implementation of a Benchmark Replacement, the Calculation Agent or, as the case may be, the Alternate Agent will have the right to make Benchmark Replacement Conforming Changes from time to time.

If a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, any determination, decision or election that may be made by the Calculation Agent or, as the case may be, the Alternate Agent pursuant to this Condition 5(c)(iii)(C)(f), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or



refrain from taking any action or any selection: (i) will be conclusive and binding absent manifest error; (ii) will be made in the sole discretion of the Calculation Agent, acting in good faith and in a commercial and reasonable manner or, as the case may be, the Alternate Agent, as applicable; and (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the Noteholders or any other party.

Notwithstanding any provision of this Condition 5(c)(iii)(C)(f), if the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms), no Benchmark Replacement will be adopted by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) and the Benchmark Replacement will be SOFR determined as of the U.S. Government Securities Business Day immediately preceding the Benchmark Replacement Date.

The following defined terms shall have the meanings set out below for purpose of this Condition 5(c)(iii)(C)(f):

“**Benchmark**” means, initially, the relevant SOFR Benchmark specified in the relevant Final Terms; provided that if the Calculation Agent or, as the case may be, the Alternate Agent determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the relevant Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then “**Benchmark**” means the applicable Benchmark Replacement;

“**Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with

similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative or has been or will be prohibited from being used or that its use has been or will be subject to restrictions or adverse consequences either generally or with respect to the Notes;

**“Benchmark Replacement”** means the first alternative set forth in the order below that can be determined by the Calculation Agent or, as the case may be, the Alternate Agent as of the Benchmark Replacement Date:

- (i) the sum of:
  - (a) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and
  - (b) the Benchmark Replacement Adjustment;
- (ii) the sum of:
  - (a) the ISDA Fallback Rate; and
  - (b) the Benchmark Replacement Adjustment; or
- (iii) the sum of:
  - (a) the alternate reference rate that has been selected by the Calculation Agent or, as the case may be, the Alternate Agent as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Floating Rate Notes at such time; and
  - (b) the Benchmark Replacement Adjustment;

**“Benchmark Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the Calculation Agent or, as the case may be, the Alternate Agent as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Calculation Agent or, as the case may be, the Alternate Agent giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Floating Rate Notes at such time;

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) the Calculation Agent or, as the case may be, the Alternate Agent decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Calculation Agent or, as the case may be, the Alternate Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Calculation Agent or, as the case may be, the Alternate Agent determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Calculation Agent or, as the case may be, the Alternate Agent determines is reasonably necessary acting in good faith and in a commercial manner);

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (i) in the case of sub-paragraph (i) or (ii) of the definition of “Benchmark Transition Event”, the later of:
  - (x) the date of the public statement or publication of information referenced therein; and

- (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of sub-paragraph (iii) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“**ISDA Definitions**” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“**ISDA Fallback Adjustment**” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

“**ISDA Fallback Rate**” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“**Reference Time**” with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Simple SOFR Average or Compounded Daily SOFR is specified as applicable in the relevant Final Terms) or SOFR Index Determination Time (where Compounded SOFR Index is specified as applicable in the relevant Final Terms), or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Calculation Agent or, as the case may be, the Alternate Agent after giving effect to the Benchmark Replacement Conforming Changes;

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

“**Unadjusted Benchmark Replacement**” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (g) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being SONIA, the SONIA rate of

interest determination method, as specified in the relevant Final Terms (the “**SONIA Rate of Interest Determination**”), in which the Rate of Interest is to be determined could be either SONIA Compounded Index Rate or SONIA Compounded Daily Reference Rate as follows:

(x) SONIA Compounded Index Rate

If SONIA Compounded Index Rate is specified in the relevant Final Terms, the Rate of Interest for each Interest Accrual Period will, be the SONIA Compounded Index Rate as follows, plus or minus (as indicated in the relevant Final Terms) the Margin (if any).

For the purposes of this Condition 5(c)(iii)(C)(g)(x):

“**SONIA Compounded Index Rate**” means with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards,

$$\left( \frac{\text{SONIA Compounded Index}_{END}}{\text{SONIA Compounded Index}_{START}} - 1 \right) \times \left( \frac{365}{d} \right)$$

provided, however, that if the SONIA Compounded Index Value is not available in relation to any Interest Accrual Period on the Relevant Screen Page for the determination of either or both of SONIA Compounded Index<sub>START</sub> and SONIA Compounded Index<sub>END</sub>, the Rate of Interest shall be calculated for such Interest Accrual Period on the basis of the SONIA Compounded Daily Reference Rate as set out in Condition 5(c)(iii)(C)(g)(y) as if SONIA Compounded Daily Reference Rate with Observation Shift had been specified in the relevant Final Terms and the “Relevant Screen Page” shall be deemed to be the “Relevant Fallback Screen Page” as specified in the relevant Final Terms,

Where:

“*d*” means the number of calendar days in the relevant Observation Period;

“**London Business Day**”, means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

**“Observation Period”** means, in respect of an Interest Accrual Period, the period from (and including) the date falling “p” London Business Days prior to the first day of such Interest Accrual Period (and the first Observation Period shall begin on and include the date which is “p” London Business Days prior to the Issue Date) and ending on (but excluding) the date which is “p” London Business Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling “p” London Business Days prior to such earlier date, if any, on which the Notes become due and payable);

**“p”** means, for any Interest Accrual Period the whole number specified in the relevant Final Terms (or, if no such number is so specified, five London Business Days) representing a number of London Business Days;

**“SONIA Compounded Index”** means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

**“SONIA Compounded Index<sub>START</sub>”** means, in respect of an Interest Accrual Period, the SONIA Compounded Index Value on the date falling “p” London Business Days prior to (i) the first day of such Interest Accrual Period, or (ii) in the case of the first Interest Accrual Period, the Issue Date;

**“SONIA Compounded Index<sub>END</sub>”** means the SONIA Compounded Index Value on the date falling “p” London Business Days prior to (i) in respect of an Interest Accrual Period, the Interest Payment Date for such Interest Accrual Period, or (ii) if the Notes become due and payable prior to the end of an Interest Accrual Period, the date on which the Notes become so due and payable; and

**“SONIA Compounded Index Value”** means in relation to any London Business Day, the value of the SONIA Compounded Index as published by authorised distributors on the Relevant Screen Page on such London Business Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorised distributors, as published on the Bank of England’s Website at [www.bankofengland.co.uk/boeapps/database/](http://www.bankofengland.co.uk/boeapps/database/) (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on such London Business Day.

(y) **SONIA Compounded Daily Reference Rate**

If SONIA Compounded Daily Reference Rate is specified in the relevant Final Terms, the Rate of Interest for each Interest Accrual Period will be the SONIA Compounded Daily Reference Rate as follows, plus or minus (as indicated in the relevant Final Terms) the Margin (if any),

**“SONIA Compounded Daily Reference Rate”** means, in respect of an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the

Calculation Agent (or such other independent party with appropriate expertise and international repute responsible for the calculation of the Rate of Interest, as specified in the relevant Final Terms) on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards,

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

Where:

“**London Business Day**”, “**Observation Period**” and “**p**” have the meanings set out under Condition 5(c)(iii)(C)(g)(x);

“**d**” is the number of calendar days in the relevant:

- (i) Observation Period where Observation Shift is specified in the relevant Final Terms; or
- (ii) Interest Accrual Period where Lag is specified in the relevant Final Terms;

“**d<sub>o</sub>**” is the number of London Business Days in the relevant:

- (i) Observation Period where Observation Shift is specified in the relevant Final Terms; or
- (ii) Interest Accrual Period where Lag is specified in the relevant Final Terms;

“**i**” is a series of whole numbers from one to  $d_o$ , each representing the relevant London Business Day in chronological order from, and including, the first London Business Day in the relevant:

- (i) Observation Period where Observation Shift is specified in the relevant Final Terms; or
- (ii) Interest Accrual Period where Lag is specified in the relevant Final Terms;

“**n<sub>i</sub>**”, for any London Business Day “**i**”, means the number of calendar days from and including such London Business Day “**i**” up to but excluding the following London Business Day;

“**SONIA<sub>i</sub>**” means, in relation to any London Business Day the SONIA reference rate in respect of:

- (i) that London Business Day “**i**” where Observation Shift is specified in the relevant Final Terms; or
- (ii) the London Business Day (being a London Business Day falling in the relevant Observation Period) falling “**p**” London Business Days prior to the relevant London Business Day “**i**” where Lag is specified in the relevant Final Terms; and

the “**SONIA reference rate**”, in respect of any London Business Day, is a reference rate equal to the daily Sterling Overnight Index Average (“**SONIA**”) rate for such London Business Day as provided by the

administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page on the next following London Business Day or, if the Relevant Screen Page is unavailable, as published by authorised distributors on such London Business Day or, if SONIA cannot be obtained from such authorised distributors, as published on the Bank of England's Website at [www.bankofengland.co.uk/boeapps/database/](http://www.bankofengland.co.uk/boeapps/database/) (or such other page or website as may replace such page for the purposes of publishing the SONIA reference rate).

(z) Where SONIA is specified as the Reference Rate in the relevant Final Terms and either (i) SONIA Compounded Daily Reference Rate is specified in the relevant Final Terms, or (ii) the SONIA Compounded Index Rate is specified in the relevant Final Terms, if, in respect of any London Business Day, the SONIA reference rate is not available on the Relevant Screen Page or Relevant Fallback Screen Page as applicable, (or as otherwise provided in the relevant definition thereof), such Reference Rate shall be:

1. (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Business Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which the SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate, or
2. if such Bank Rate is not available, the SONIA reference rate published on the Relevant Screen Page (or as otherwise provided in the relevant definition thereof) for the first preceding London Business Day on which the SONIA reference rate was published on the Relevant Screen Page (or as otherwise provided in the relevant definition thereof), and

in each case, SONIA<sub>i</sub> shall be interpreted accordingly.

(aa) If the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest



Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

If the Notes become due and payable in accordance with the Conditions, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

*(D) Benchmark discontinuation for Floating Rate Notes*

*(a) Independent Adviser*

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined in accordance with Condition 5(c)(iii)(C) (except in respect of Conditions 5(c)(iii)(C)(e), 5(c)(iii)(C)(f) and 5(c)(iii)(C)(g)) and if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(c)(iii)(D)(b)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5(c)(iii)(D)(c)) and any Benchmark Amendments (in accordance with Condition 5(c)(iii)(D)(d)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 5(c)(iii)(D) shall act in good faith in a commercially reasonable manner as an independent expert and in consultation with the Issuer. The Issuer will not take any discretionary decision on the basis of such consultation. In the absence of bad faith, manifest error or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, or the Noteholders, the Receiptholders or the Couponholders for any determination made by it, pursuant to this Condition 5(c)(iii)(D).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5(c)(iii)(D)(a) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this Condition 5(c)(iii)(D)(a) shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(c)(iii)(D)(a).

(b) Successor Rate or Alternative Rate

If the Independent Adviser, determines that:

- (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5(c)(iii)(D)(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(c)(iii)(D)); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5(c)(iii)(D)(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(c)(iii)(D)).

(c) Adjustment Spread

If the Independent Adviser, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(d) Benchmark Amendments

If any Successor Rate or any Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5(c)(iii)(D) and the Independent Adviser, determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(c)(iii)(D)(e), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

For the avoidance of doubt, and in connection with any such variation in accordance with this Condition 5(c)(iii)(D)(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(e) Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5(c)(iii)(D) will be notified promptly by the Issuer, after receiving such information from the Independent Adviser, to the Fiscal Agent, the Calculation Agent, the Paying Agents, the Representative of the *Masse* and, in accordance with Condition 15, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

The Issuer shall deliver to the Fiscal Agent a certificate signed by an authorised signatory of the Issuer and the Independent Adviser:

- (i) confirming, on the basis of the determination of the Independent Adviser (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) where applicable, any Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(c)(iii)(D); and
- (ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

Each of the Fiscal Agent, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Fiscal Agent's, the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agent and the Noteholders.

- (f) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 5(c)(iii)(D)(a), (b), (c) and (d), the Original Reference Rate and the fallback provisions provided for in Condition 5(c)(iii)(B) will continue to apply unless and until a Benchmark Event has occurred.

- (g) New Benchmark Event in respect of the Successor Rate or Alternative Rate

If Benchmark Amendments have been implemented pursuant to this Condition 5(c)(iii)(D) and a new Benchmark Event occurs in respect of the then applicable Successor Rate or Alternative Rate, the provisions of this Condition 5(c)(iii)(D) shall apply as if the Successor Rate or Alternative Rate were the Original Reference Rate.

- (iv) *Rate of Interest for Inflation Linked Notes:*

- 1. Consumer Price Index (CPI)

Where the consumer price index excluding tobacco for all households in metropolitan France, as calculated and published by the *Institut National de la Statistique et des Etudes Economiques* (the "INSEE") ("CPI") is specified as the Index in the relevant Final Terms, this Condition 5(c)(iv)(1) shall apply. Terms defined herein shall have the meanings set out below only when this Condition 5(c)(iv)(1) shall apply.

The Rate of Interest in respect of Inflation Linked Notes indexed to the CPI (the "**CPI Linked Interest**") will be determined by the Calculation Agent on the following basis:

- (A) On the fifth Business Day before each Interest Payment Date (an “Interest Determination Date”) the Calculation Agent will calculate the Inflation Index Ratio.

For the purpose of this Condition 5(c)(iv)(1), the “Inflation Index Ratio” or “IIR” is the ratio between (i) the CPI Daily Inflation Reference Index (as defined below) applicable upon any Interest Payment Date or the redemption date, as the case may be and (ii) the base reference defined as the CPI Daily Inflation Reference Index (as defined below) applicable on the date specified in the applicable Final Terms (the “Base Reference”). Notwithstanding Condition 5(g)(iii), the IIR will be rounded if necessary to five significant figures (with halves being rounded up).

“CPI Daily Inflation Reference Index” means (A) in relation to the first day of any given month, the CPI Monthly Reference Index of the third month preceding such month, and (B) in relation to a day (D) (other than the first day) in any given month (M), the linear interpolation of the CPI Monthly Reference Index pertaining respectively to the third month preceding such month (M - 3) and the second month preceding such month (M - 2) calculated in accordance with the following formula:

CPI Daily Inflation Reference Index=

$$\text{CPI Monthly Reference Index}_{M-3} + \frac{D-1}{ND_M} \times (\text{CPI Monthly Reference Index}_{M-2} - \text{CPI Monthly Reference Index}_{M-3})$$

With:

“ND<sub>M</sub>”: number of days in the relevant month M and, in the case of payment of principal and interest, shall be equal to 31;

“D”: actual day of payment in the relevant month M and, in the case of payment of principal and interest, shall be equal to 25;

“CPI Monthly Reference Index<sub>M-2</sub>”: price index of month M - 2;

“CPI Monthly Reference Index<sub>M-3</sub>”: price index of month M - 3.

Notwithstanding Condition 5(g)(iii), the CPI Daily Inflation Reference Index will be rounded if necessary to five significant figures (with halves being rounded up).

For information purposes, such CPI Daily Inflation Reference Index appears on the *Agence France Trésor* Reuters page OATINFLATION01 or on Bloomberg TRESOR <GO> pages and on the website [www.aft.gouv.fr](http://www.aft.gouv.fr). In the case of doubt in the interpretation of the methods used to calculate the Inflation Index Ratio, such methods shall be interpreted by reference to the procedures selected by the French Treasury (*Trésor*) for its *obligations assimilables du Trésor indexées sur l'inflation*.

“CPI Monthly Reference Index” refers to the definitive consumer price index excluding tobacco for all households in metropolitan France, as calculated and published monthly by the INSEE as such index may be adjusted or replaced from time to time as provided herein.

- (B) The calculation method described below is based on the recommendation issued by the French Bond Association (*Comité de Normalisation Obligataire – [www.cnofrance.org](http://www.cnofrance.org)*) in its July 2011 Paper entitled “Inflation linked bonds”. In the case of any conflict between the calculation method provided below and the

calculation method provided by the Bond Association (*Comité de Normalisation Obligataire*), the calculation method provided by the Bond Association (*Comité de Normalisation Obligataire*) shall prevail.

The CPI Linked Interest applicable from time to time for each Interest Period (as specified in the relevant Final Terms) will be equal to the rate per annum specified in the relevant Final Terms multiplied by the Inflation Index Ratio (as defined above).

(C)

(1) If the CPI Monthly Reference Index is not published in a timely manner, a substitute CPI Monthly Reference Index (the “**Substitute CPI Monthly Reference Index**”) shall be determined by the Calculation Agent in accordance with the following provisions:

(x) If a provisional CPI Monthly Reference Index (*indice provisoire*) has already been published, such index shall automatically be used as the Substitute CPI Monthly Reference Index. Such provisional CPI Monthly Reference Index would be published under the heading “*indice de substitution*”. Once the definitive CPI Monthly Reference Index is released, it would automatically apply from the day following its release to all calculations taking place from this date.

(y) If no provisional CPI Monthly Reference Index is available, a substitute index shall be calculated on the basis of the most recently published figure adjusted as set out in the following formula:

Substitute CPI Monthly Reference Index<sub>M</sub>=

$$\text{CPI Monthly Reference Index}_{M-1} \times \frac{\text{CPI Monthly Reference Index}_{M-1}^{\frac{1}{12}}}{\text{CPI Monthly Reference Index}_{M-13}}$$

(2) In the event INSEE decides to proceed with one or more base changes for the purpose of calculating the CPI Monthly Reference Index, the two CPI Monthly Reference Indexes which have been calculated on a different basis will be chained on the basis of the December CPI Monthly Reference Index of the last year of joint publications, which corresponds to the CPI Daily Inflation Reference Index for 1 March of the following year. Such chaining will be carried out in accordance with the following equation:

$$\text{Key} = \frac{\text{CPI Monthly Reference Index}_{\text{pertaining to December calculated on the new basis}}}{\text{CPI Monthly Reference Index}_{\text{pertaining to December calculated on the previous basis}}}$$

Such that:

$$\text{CPI Monthly Reference Index}_{\text{New Basis}}^{\text{Date D}} = \text{CPI Monthly Reference Index}_{\text{Previous Basis}}^{\text{Date D}} \times \text{Key}$$

## 2. Harmonised Index of Consumer Prices (HICP)

Where the harmonised index of consumer prices excluding tobacco measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat (the “**HICP**”) is specified as the Index in the relevant Final Terms,

this Condition 5(c)(iv)(2) shall apply. Terms defined herein shall have the meanings set out below only when this Condition 5(c)(iv)(2) shall apply.

The Rate of Interest in respect of Inflation Linked Notes indexed to the HICP (the “**HICP Linked Interest**”) will be determined by the Calculation Agent on the following basis:

- (A) On the fifth Business Day before each Interest Payment Date (an “Interest Determination Date”) the Calculation Agent will calculate the Inflation Index Ratio.

For the purpose of this Condition 5(c)(iv)(2), the “**Inflation Index Ratio**” or “**IIR**” is the ratio between (i) the HICP Daily Inflation Reference Index (as defined below) applicable upon any Interest Payment Date or the redemption date, as the case may be and (ii) the base reference defined as the HICP Daily Inflation Reference Index (as defined below) applicable on the date specified in the applicable Final Terms (the “**Base Reference**”). Notwithstanding Condition 5(g)(iii), the IIR will be rounded if necessary to five significant figures (with halves being rounded up).

“**HICP Daily Inflation Reference Index**” means (A) in relation to the first day of any given month, the HICP Monthly Reference Index of the third month preceding such month, and (B) in relation to a day (D) (other than the first day) in any given month (M), the linear interpolation of the HICP Monthly Reference Index pertaining respectively to the third month preceding such month (M - 3) and the second month preceding such month (M - 2) calculated in accordance with the following formula:

HICP Daily Inflation Reference Index =

$$\text{HICP Monthly Reference Index}_{M-3} + \frac{D-1}{ND_M} \times (\text{HICP Monthly Reference Index}_{M-2} - \text{HICP Monthly Reference Index}_{M-3})$$

With:

“**ND<sub>M</sub>**”: number of days in the relevant month M and, in the case of payment of principal and interest, shall be equal to 31;

“**D**”: actual day of payment in the relevant month M and, in the case of payment of principal and interest, shall be equal to 25;

“**HICP Monthly Reference Index<sub>M-2</sub>**”: price index of month M - 2;

“**HICP Monthly Reference Index<sub>M-3</sub>**”: price index of month M - 3.

Notwithstanding Condition 5(g)(iii), the HICP Daily Inflation Reference Index will be rounded if necessary to five significant figures (with halves being rounded up).

For information purposes, such HICP Daily Inflation Reference Index appears on the *Agence France Trésor* Reuters page OATEI01, on the website [www.aft.gouv.fr](http://www.aft.gouv.fr) and on Bloomberg page TRESOR.

“**HICP Monthly Reference Index**” refers to the harmonised index of consumer prices excluding tobacco measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published by Eurostat as such index may be adjusted or replaced from time to time as provided herein.

(B) The HICP Linked Interest applicable from time to time for each Interest Period (as specified in the relevant Final Terms) will be equal to the rate per annum specified in the relevant Final Terms multiplied by the Inflation Index Ratio (as defined above).

(C)

(1) If the HICP Monthly Reference Index is not published in a timely manner, a substitute HICP Monthly Reference Index (the “**Substitute HICP Monthly Reference Index**”) shall be determined by the Calculation Agent in accordance with the following provisions:

(x) If a provisional HICP Monthly Reference Index has already been published by Eurostat, such index shall automatically be used as the Substitute HICP Monthly Reference Index. Once the definitive HICP Monthly Reference Index is released, it would automatically apply from the day following its release to all calculations taking place from this date.

(y) If no provisional HICP Monthly Reference Index is available, a substitute index shall be calculated on the basis of the most recently published figure adjusted as set out in the following formula:

Substitute HICP Monthly Reference Index<sub>M</sub> =

$$\text{HICP Monthly Reference Index}_{M-1} \times \frac{\text{HICP Monthly Reference Index}_{M-12}}{\text{HICP Monthly Reference Index}_{M-13}}$$

(2) In the event Eurostat decides to proceed with one or more base changes for the purpose of calculating the HICP Monthly Reference Index, the two HICP Monthly Reference Indexes which have been calculated on a different basis will be chained on the basis of the December HICP Monthly Reference Index of the last year of joint publications, which corresponds to the HICP Daily Inflation Reference Index for 1 March of the following year. Such chaining will be carried out in accordance with the following equation:

$$\text{Key} = \frac{\text{HICP Monthly Reference Index}_{\text{pertaining to December calculated on the new basis}}}{\text{HICP Monthly Reference Index}_{\text{pertaining to December calculated on the previous basis}}}$$

Such that:

$$\text{HICP Monthly Reference Index}_{\text{New Basis}}^{\text{Date D}} = \text{HICP Monthly Reference Index}_{\text{Previous Basis}}^{\text{Date D}} \times \text{Key}$$

This Condition 5(c)(iv) is not applicable to Subordinated Notes.

(d) **Fixed/Floating Rate Notes:** Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect, upon giving not less than fifteen (15) calendar days prior notice in accordance with Condition 14, to convert on the date set out in the Final Terms from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate (the “**Optional Change of Interest Date**”) or (ii) that will automatically change from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms (the “**Automatic Change of Interest Date**”).

(e) **Zero Coupon Notes:** Where an Unsubordinated Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable

prior to the Maturity Date shall be the Early Redemption Amount of such Unsubordinated Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such an Unsubordinated Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(i)(i)). This Condition 5(e) is not applicable to Subordinated Notes.

- (f) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Unsubordinated Notes issued as Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgement) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.
- (g) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, and Rounding:**
- (i) If any Margin is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be. In no event shall the applicable rate of interest (including, for the sake of clarity, any applicable margin) be less than zero.
- (iii) For the purposes of any calculations required pursuant to these Conditions, (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.
- (h) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.
- (i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts, Early Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be



calculated, the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed and admitted to trading on a Regulated Market and the rules of such Regulated Market so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Notes shall, subject in the case of (i) €STR to Condition 5(c)(iii)(C)(e), (ii) SOFR Benchmark to Condition 5(c)(iii)(C)(f) and (iii) SONIA to Condition 5(c)(iii)(C)(g), nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (j) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined in Condition 4). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

- (k) **RMB Notes:** Notwithstanding the foregoing, each RMB Note which is a Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest. For the purposes of calculating the amount of interest, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. Interest will be payable in arrears on each Interest Payment Date.

The Calculation Agent will, as soon as practicable after 11:00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified Denomination for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties.

The Calculation Agent will cause the amount of interest payable per Specified Denomination for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to

be notified to Noteholders as soon as possible after their determination but in no event later than the fourth Business Day thereafter. The amount of interest payable per Specified Denomination and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the RMB Notes become due and payable under Condition 9, the accrued interest per Specified Denomination shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Specified Denomination so calculated need be made.

Interest shall be calculated in respect of any period by applying the Rate of Interest to the Specified Denomination, multiplying such product by the actual number of days in the relevant Interest Period or, as applicable, other period concerned and dividing it by 365, and rounding the resulting figure to the nearest Renminbi sub-unit, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

This Condition 5(k) is not applicable to Subordinated Notes.

- (l) **Adjustment of the Rate of Interest:** If an Interest Rate Adjustment is specified in the relevant Final Terms, the rate of interest payable on the Unsubordinated Notes will be subject to adjustment following the occurrence of a Step Up Event or a Step Down Event (each such adjustment an “**Interest Rate Adjustment**”). Any Interest Rate Adjustment shall be effective from and including the Interest Payment Date immediately following the date of the Step Up Event or the Step Down Event (as applicable) until the Maturity Date.

For the avoidance of doubt, in relation to an Interest Period, a Step Up Event or Step Down Event will only result in an Interest Rate Adjustment on the immediately following Interest Payment Date to the extent that neither a Step Down Event, nor a Step Up Event, as relevant, subsequently occurs during such Interest Period.

For the avoidance of doubt, the concurrence or succession of two or more Step Up Events will result in one Interest Rate Adjustment only.

The Issuer will cause each Step Up Event and each Step Down Event to be notified to the Fiscal Agent and notice thereof to be given to the holders of Unsubordinated Notes in accordance with Condition 15 as soon as possible after the occurrence of the Step Up Event or the Step Down Event.

For so long as any of the Unsubordinated Notes are outstanding, the Issuer shall use all reasonable efforts to ensure the existence of a Rating from at least one Rating Agency.

The announcement by at least one Rating Agency of a decrease in the Rating which results in the Issuer ceasing to have an Investment Grade Rating shall constitute a Step Up Event (a “**Downgrade Step Up Event**”).

In the event that the Issuer deliberately renounces to maintain a Rating from at least one Rating Agency, a Step Up Event shall be deemed to have occurred as from the date upon which such a Rating ceases to be assigned (a “**No Rating Step Up Event**”).

For the purposes of this Condition:

“**Interest Rate Adjustment**” means that the rate of interest payable under the Unsubordinated Notes shall be equal to:

- (a) the Initial Rate of Interest plus the Margin Adjustment as specified in the relevant Final Terms in the case of a Step Up Event; and

(b) the Initial Rate of Interest, in the case of a Step Down Event.

“**Initial Rate of Interest**” means the Rate of Interest specified in the relevant Final Terms.

“**Investment Grade Rating**” means a rating of BBB- or Baa3, or the equivalent rating level for the time being, or better.

“**Rating Agency**” means S&P Global Ratings Europe Limited or Moody’s Deutschland GmbH or any other rating agency of equivalent international standing requested by the Issuer to grant a rating to the Issuer’s senior unsecured long-term debt and, in each case, their respective successors or affiliates.

“**Rating**” means the rating of the Issuer’s senior unsecured long-term debt.

“**Step Down Event**” means, where the rate of interest has previously been subject to an Interest Rate Adjustment following a Step Up Event, the first public announcement by a Rating Agency that it has assigned a Rating equal to an Investment Grade Rating.

“**Step Up Event**” means a No Rating Step Up Event or a Downgrade Step Up Event.

This Condition 5(l) does not apply to Subordinated Notes.

*For the avoidance of doubt, no Interest Rate Adjustment will apply in the case of an early redemption of the Notes at the option of Noteholders following a Change of Control as set forth in Condition 6(k)(i).*

(m) **Deferral of Interest in respect of Subordinated Notes:**

Interest payments in respect of Subordinated Notes shall only be due and payable if the Issuer so elects, in accordance with the provisions of the following paragraphs.

(i) **Optional Interest Payment**

Interest which accrues during an Interest Period ending on but excluding an Interest Payment Date will be due on that Interest Payment Date unless the Issuer, by giving notice to the holders of Subordinated Notes in accordance with sub-paragraph (iv) below, elects to defer such payment, in whole or in part, and the Issuer shall not have any obligation to make such payment and any failure to so pay shall not constitute a default by the Issuer under the Subordinated Notes or for any other purpose.

Any interest in respect of the Subordinated Notes which has not been paid in accordance with this paragraph will be deferred and shall constitute “**Arrears of Interest**” and shall be payable as outlined below.

(ii) **Payment of Arrears of Interest**

Arrears of Interest (together with any Additional Interest Amount (as defined below)) may at the option of the Issuer be paid, in whole or in part, at any time, provided that all Arrears of Interest (together with the corresponding Additional Interest Amounts (as defined below)) in respect of all Subordinated Notes for the time being outstanding shall become due and payable in whole, but not in part, on whichever is the earliest of:

- (i) the tenth (10<sup>th</sup>) Business Day following a Mandatory Payment Event;
- (ii) the next Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period;
- (iii) the date on which the Subordinated Notes are redeemed; or

- (iv) the date upon which a judgment is made for the voluntary or judicial liquidation of the Issuer (*liquidation judiciaire* or *liquidation amiable*) or the sale of the whole of the business (*cession totale de l'entreprise*) of the Issuer subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*) or if the Issuer is liquidated for any other reason, as contemplated under Condition 9(b) below.

Each amount of Arrears of Interest shall bear interest, in accordance with Article 1343-2 of the French *Code civil*, as if it constituted the principal of the Subordinated Notes at a rate which corresponds to the rate of interest from time to time applicable to the Subordinated Notes (the “**Arrears Interest Rate**”) and the amount of such interest (the “**Additional Interest Amount**”) with respect to Arrears of Interest shall be due and payable pursuant to this paragraph (ii) and shall be calculated by the Calculation Agent applying the Arrears Interest Rate to the amount of the Arrears of Interest and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition.

The Additional Interest Amount accrued up to any Interest Payment Date shall be added in accordance with Article 1343-2 of the French *Code civil* to the amount of Arrears of Interest remaining unpaid on such Interest Payment Date so that it will itself become Arrears of Interest, for the purpose only of calculating the Additional Interest Amount accruing thereafter.

For the purpose hereof:

A “**Mandatory Payment Event**” means that:

- (i) a dividend, or any other distribution or payment (whether or not in cash) was validly resolved on, declared, paid or made in respect of any Equity Securities or Parity Securities of the Issuer, or
- (ii) the Issuer has repurchased, redeemed, or otherwise acquired (A) any Equity Securities, (B) in respect of Ordinary Subordinated Notes only, any Deeply Subordinated Notes, (C) in respect of Ordinary Subordinated Notes only, any *titres participatifs* issued by, or *prêts participatifs* granted to, the Issuer or (D) any Parity Securities of the Issuer other than, (x) with respect to Equity Securities, in connection with the satisfaction by the Issuer of its obligations under any (a) buy-back programme, share option, or free share allocation plan in each case reserved for directors, officers and/or employees of the Issuer's group, or (b) its liquidity agreement (*programme de liquidité*) or any associated hedging transaction with respect to (a) or (b) or the hedging of convertible securities or other equity-linked securities of the Issuer or (y) the acquisition by the Issuer of any Parity Securities (in whole or in part) in a public tender offer or public exchange offer at a purchase price per Parity Security (including, for the avoidance of doubt, the Subordinated Notes) below its par value;

save for, in each case, any compulsory dividend, other distribution, payment, repurchase, redemption or other acquisition required by the terms of such Equity Securities or Parity Securities or, in respect of Ordinary Subordinated Notes only, any Deeply Subordinated Notes or, in respect of Ordinary Subordinated Notes only, any *titres participatifs* issued by, or *prêts participatifs* granted to, the Issuer.

“**Parity Securities**” means, at any time, (a) in respect of Ordinary Subordinated Notes, any securities which rank *pari passu* with the Ordinary Subordinated Notes or (b) in respect of Deeply

Subordinated Notes<sup>2</sup>, any securities which rank *pari passu* with the Deeply Subordinated Notes. The term Parity Securities shall apply *mutatis mutandis* to any instruments issued by any Subsidiary (as defined in Condition 4(a) above) of the Issuer, where relevant, provided that each such instrument shall qualify as Parity Securities only to the extent such instrument is guaranteed by the Issuer or the Issuer otherwise assumes liability for it, and the Issuer's obligations under the relevant guarantee or other assumption of liability rank *pari passu* with the Issuer's obligations under the Ordinary Subordinated Notes or the Deeply Subordinated Notes, respectively.

(iii) Optional Partial Payment of Arrears of Interest and Additional Interest Amounts

If amounts in respect of Arrears of Interest and Additional Interest Amounts are paid in part:

- (i) all unpaid amounts of Arrears of Interest shall be payable before any Additional Interest Amounts;
- (ii) Arrears of Interest accrued for any period shall not be payable until full payment has been made of all Arrears of Interest that have accrued during any earlier period and the order of payment of Additional Interest Amounts shall follow that of the Arrears of Interest to which they relate; and
- (iii) the amount of Arrears of Interest or Additional Interest Amounts payable in respect of any of the Subordinated Notes in respect of any period, shall be pro rata to the total amount of all unpaid Arrears of Interest or, as the case may be, Additional Interest Amounts accrued on the Subordinated Notes in respect of that period to the date of payment.

(iv) Notice of Deferral and Payment of Arrears of Interests

Notice of (i) deferral of any interest under the Subordinated Notes on any Interest Payment Date and (ii) any date upon which amounts in respect of Arrears of Interest and/or Additional Interest Amounts shall become due and payable shall be given to the holders of such Subordinated Notes in accordance with Condition 15, and the Paying Agents and the Calculation Agent not less than 5 Business Days, but no more than 30 Business Days, prior to such Interest Payment Date or date.

## 6 Redemption, Purchase and Options

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount. The Undated Subordinated Notes are undated obligations in respect of which there is no fixed maturity date but may be redeemed early at the option of the Issuer under certain circumstances set out below.
- (b) **Redemption by Instalments:** Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Unsubordinated Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Unsubordinated Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Unsubordinated Note, such proportion) for all purposes with effect from the

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<sup>2</sup> For information purposes only, the Deeply Subordinated Notes include, as at the date of this Base Prospectus, the Euro 400,000,000 Undated Deeply Subordinated Fixed Rate Resetable Notes issued on 17 June 2019 (ISIN: FR0013425170) and the Euro 300,000,000 Undated Deeply Subordinated Fixed Rate Resetable Notes issued on 21 January 2020 (ISIN: FR0013478252).

related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Unsubordinated Notes which are Dematerialised Notes, on the due date for such payment or (ii) in the case of Unsubordinated Notes which are Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

This Condition 6(b) is not applicable to Subordinated Notes.

- (c) **Residual Call Option:** If a Residual Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 15 to the holders of Unsubordinated Notes (or such other notice period as may be specified in the relevant Final Terms) redeem, at any time as from the Call Option Date (as specified in the Final Terms) which shall be no earlier than 3 months before the Maturity Date, until the Maturity Date, the Unsubordinated Notes, in whole or in part, at par together with interest accrued to, but excluding, the date fixed for redemption.

All Unsubordinated Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption, the relevant provisions of Condition 6(f) shall apply *mutatis mutandis* to this Condition 6(c).

This Condition 6(c) is not applicable to Subordinated Notes.

- (d) **Make-Whole Redemption by the Issuer:**

(i) **Unsubordinated Notes**

If a Make-Whole Redemption by the Issuer is specified in the relevant Final Terms, in respect of any issue of Unsubordinated Notes, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 15 to the holders of Unsubordinated Notes (or such other notice period as may be specified in the relevant Final Terms) redeem the Unsubordinated Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date (the "**Make-Whole Redemption Date**") at their Optional Redemption Amount. The Optional Redemption Amount will be calculated by the Make-Whole Calculation Agent and will be the greater of (x) 100 per cent. of the nominal amount of the Unsubordinated Notes so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Unsubordinated Notes (not including any interest accrued on the Unsubordinated Notes to, but excluding, the relevant Make-Whole Redemption Date) up to, and discounted to, the relevant Make-Whole Redemption Date on an annual basis at the Redemption Rate plus a Redemption Margin (as specified in the relevant Final Terms), plus in each case (x) or (y) above, any interest accrued on the Unsubordinated Notes to, but excluding, the Make-Whole Redemption Date.

If a Residual Call Option is specified in the relevant Final Terms, the Optional Redemption Amount in respect of the Make-Whole Redemption by the Issuer will be calculated taking into account the Call Option Date (as specified in the relevant Final Terms) pursuant to Condition 6(c) above and not the Maturity Date.

If the Reference Security is no longer outstanding, a Similar Security (as specified in the relevant Final Terms) will be chosen by the Make-Whole Calculation Agent at 11:00 a.m. (Central European time (CET)) on the third business day in London preceding the Make-Whole Redemption Date, quoted in

writing by the Make-Whole Calculation Agent to the Issuer and notified in accordance with Condition 15.

The Redemption Rate will be notified by the Issuer in accordance with Condition 15.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Make-Whole Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

In the case of a partial redemption of Unsubordinated Notes, the relevant provisions of Condition 6(f) shall apply *mutatis mutandis* to this Condition 6(d).

(ii) **Subordinated Notes**

If a Make-Whole Redemption by the Issuer is specified in the relevant Final Terms, in respect of any issue of Subordinated Notes, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 15 to the holders of Subordinated Notes (or such other notice period as may be specified in the relevant Final Terms) redeem the Subordinated Notes, in whole but not in part, at any time other than during any Residual Redemption Period (if any) and/or on any Par Call Date, prior to their Maturity Date (the "**Make-Whole Redemption Date**") at their Optional Redemption Amount.

The Optional Redemption Amount will be calculated by the Make-Whole Calculation Agent and will be the greater of (x) 100 per cent. of the nominal amount of the Subordinated Notes and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Subordinated Notes (not including any Arrears of Interest, Additional Interest Amount thereon and any interest accrued on the Subordinated Notes to, but excluding, the Make-Whole Redemption Date) up to, and discounted from, (in respect of Dated Subordinated Notes only) the Maturity Date or, if applicable, the Par Call Date immediately succeeding the Make-Whole Redemption Date to such Make-Whole Redemption Date, on an annual basis at the Redemption Rate plus a Redemption Margin (as specified in the relevant Final Terms), plus in each case (x) or (y) above, any interest accrued on the Subordinated Notes and any Arrears of Interest (including any Additional Interest Amounts thereon) to, but excluding, the Make-Whole Redemption Date.

If the Reference Security is no longer outstanding, a Similar Security (as specified in the relevant Final Terms) will be chosen by the Make-Whole Calculation Agent at 11:00 a.m. (Central European time (CET)) on the third business day in London preceding the Make-Whole Redemption Date, quoted in writing by the Make-Whole Calculation Agent to the Issuer and notified in accordance with Condition 15.

The Redemption Rate will be notified by the Issuer in accordance with Condition 15.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Make-Whole Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(iii) **Definitions**

"**Par Call Date(s)**" means any Optional Redemption Date or, if any Residual Redemption Period(s) have been specified in the relevant Final Terms, any relevant Residual Redemption Date.

The "**Redemption Rate**" is the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Security (as specified in the relevant Final Terms)

on the fourth business day preceding the Make-Whole Redemption Date at 11:00 a.m. (Central European time (CET)).

“**Reference Dealers**” means each of the four banks selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues or as specified in the relevant Final Terms.

- (e) **Clean-Up Call Option:** Unless otherwise specified in the relevant Final Terms, if at least 75 per cent. of the initial aggregate nominal amount of the Notes of the same Series have been redeemed or purchased and, in each case, cancelled, the Issuer may on giving not less than 15 nor more than 30 calendar days’ notice to the Noteholders redeem the Notes, in whole but not in part, at their Clean-Up Redemption Amount (as specified in the relevant Final Terms) together with (x) in respect of Unsubordinated Notes, any interest accrued to the date set for redemption and (y) in respect of Subordinated Notes, any interest accrued to the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon).

- (f) **Redemption at the Option of the Issuer and Partial Redemption:**

- (i) **Unsubordinated Notes**

If a Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 calendar days’ irrevocable notice in accordance with Condition 15 to the holders of Unsubordinated Notes (or such other notice period as may be specified in the relevant Final Terms) redeem, all or, if so provided in the relevant Final Terms, some, of the Unsubordinated Notes on any Optional Redemption Date. Any such redemption of Unsubordinated Notes shall be at their Optional Redemption Amount together with interest accrued to, but excluding, the date fixed for redemption, if any. Any such redemption or exercise must relate to Unsubordinated Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the relevant Final Terms.

All Unsubordinated Notes in respect of which any such notice is given shall be redeemed, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption in respect of Unsubordinated Notes issued as Materialised Notes, the notice to holders of such Unsubordinated Notes issued as Materialised Notes shall also contain the number of the Definitive Materialised Bearer Notes to be redeemed which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements of the Regulated Market on which the Unsubordinated Notes are listed and admitted to trading.

In the case of a partial redemption in respect of Unsubordinated Notes issued as Dematerialised Notes of any Series, the redemption may be effected by reducing the nominal amount of all such Unsubordinated Notes issued as Dematerialised Notes in proportion to the aggregate nominal amount redeemed.

So long as the Unsubordinated Notes are listed and admitted to trading on Euronext Paris or on any Regulated Market and the rules of such Regulated Market so require, the Issuer shall, once in each year in which there has been a partial redemption of the Unsubordinated Notes, cause to be published in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers* (the “**AMF**”) and on the website of any other competent authority and/or Regulated Market where the Unsubordinated Notes are listed and



admitted to trading, a notice specifying the aggregate nominal amount of Unsubordinated Notes outstanding and, in the case of Unsubordinated Notes issued as Materialised Notes, a list of any Definitive Materialised Bearer Notes drawn for redemption but not surrendered.

(ii) **Subordinated Notes**

If a Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 30 nor more than 60 calendar days' irrevocable notice in accordance with Condition 15 to the holders of Subordinated Notes (or such other notice period as may be specified in the relevant Final Terms) redeem all, but not some only, of the Subordinated Notes on any Optional Redemption Date or on any date during any residual redemption period (the "**Residual Redemption Period**", the first date of any such period (if any) being a "**Residual Redemption Date**", each as specified in the relevant Final Terms). Any such redemption of Subordinated Notes shall be at their Optional Redemption Amount together with any accrued interest to, but excluding, the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon).

- (g) **Redemption at the Option of Noteholders:** If a Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the holder of an Unsubordinated Note, upon the holder of an Unsubordinated Note giving not less than 15 nor more than 30 calendar days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Unsubordinated Note on the Optional Redemption Date(s) (as specified in the relevant Final Terms) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder of an Unsubordinated Note must deposit with a Paying Agent at its specified office during usual business hours a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained during usual business hours from any Paying Agent, within the notice period. In the case of Unsubordinated Notes which are Materialised Bearer Notes, the Exercise Notice shall have attached to it the relevant Unsubordinated Notes (together with all unmatured Receipts and Coupons and unexchanged Talons). In the case of Unsubordinated Notes which are Dematerialised Notes, the holder of an Unsubordinated Note shall transfer, or cause to be transferred, the Unsubordinated Notes which are Dematerialised Notes to be redeemed to the account of the Fiscal Agent or the Paying Agent with a specified office in Paris as specified in the Exercise Notice. No option so exercised and, where applicable, no Unsubordinated Note so deposited or transferred, may be withdrawn without the prior consent of the Issuer.

- (h) **Redemption of Inflation Linked Notes:** If so specified in the relevant Final Terms, the Final Redemption Amount in respect of Inflation Linked Notes will be determined by the Calculation Agent on the following basis:

Final Redemption Amount = IIR x nominal amount of the Unsubordinated Notes

"**IIR**" being for the purpose of this Condition 6(h) the ratio determined on the fifth Business Day before the Maturity Date between either (i) if the CPI is specified as the Index applicable in the Final Terms, the CPI Daily Inflation Reference Index or (ii) if the HICP is specified as the Index applicable in the Final Terms, the HICP Daily Inflation Reference Index, on the Maturity Date and the Base Reference on the date specified in the relevant Final Terms.

If the Final Redemption Amount calculated as set out above is below par, the Unsubordinated Notes will be redeemed at par.

This Condition 6(h) is not applicable to Subordinated Notes.

(i) **Early Redemption:**

(i) *Zero Coupon Notes:*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Unsubordinated Note pursuant to Condition 6(j)(i) or Condition 6(q) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Nominal Amount (calculated as provided below) of such Unsubordinated Note.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Unsubordinated Note shall be the scheduled Final Redemption Amount of such Unsubordinated Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Unsubordinated Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Unsubordinated Note upon its redemption pursuant to Condition 6(j)(i) or Condition 6(q) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Unsubordinated Note shall be the Amortised Nominal Amount of such Unsubordinated Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Unsubordinated Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(f).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

This Condition 6(i)(i) is not applicable to Subordinated Notes.

(ii) *Inflation Linked Notes:*

- (A) If the relevant Final Terms provides that Condition 6(h) shall apply in respect of Inflation Linked Notes, the Early Redemption Amount upon redemption of such Unsubordinated Notes pursuant to Condition 6(j)(i), or Condition 6(q) or upon it becoming due and payable as provided in Condition 9, the Put Amount, the Optional Redemption Amount in respect of such Unsubordinated Notes will be determined by the Calculation Agent on the following basis:

Early Redemption Amount/Put Amount = IIR x nominal amount of the Unsubordinated Notes

“IIR” being for the purposes of this Condition the ratio determined on the fifth Business Day before the date set for redemption between either (i) if the CPI is specified as the Index applicable in the Final Terms, the CPI Daily Inflation Reference Index or (ii) if the HICP is specified as the Index applicable in the Final Terms, the HICP Daily Inflation Reference Index on the date set for redemption and the Base Reference specified in the relevant Final Terms.

If the Early Redemption Amount calculated as set out above is below par, the Unsubordinated Notes will be redeemed at par.

- (B) If the Inflation Linked Notes (whether or not Condition 6(h) applies) fail to be redeemed for whatever reason before the Maturity Date, the Issuer will pay the Early Redemption Amount together with interest accrued to the date set for redemption. Such accrued interest will be calculated by the Calculation Agent in respect of the period from, and including the immediately preceding Interest Payment Date or, as the case may be, the Interest Commencement Date to, but excluding, the date set for redemption of such Unsubordinated Notes at a rate per annum on the basis of the provisions of Condition 5 (iv) above except that, for such purposes the relevant Interest Determination Date shall be the fifth Business Day prior to the relevant Early Redemption Date.

This Condition 6(i)(ii) is not applicable to Subordinated Notes.

- (iii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Unsubordinated Notes described paragraphs “*Zero Coupon Notes*” and “*Inflation Linked Notes*” above), upon redemption of such Note pursuant to Condition 6(j)(i), or Condition 6(q), or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount.

(j) **Redemption for Taxation Reasons:**

(i) Unsubordinated Notes

- (A) If, by reason of any change in, or any change in the official application or interpretation of, French law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Unsubordinated Notes, or, if applicable, of the Coupons or Receipts, not be able to make such payment without having to pay additional amounts as specified under Condition 8 below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Final Terms, at any time, subject to having given not more than 45 nor less than 30 calendar days’ notice to the holders of Unsubordinated Notes or, if applicable, to the holders of Coupons (the “**Couponholders**”) or to the holders of Receipts (the “**Receipholders**”) (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Unsubordinated Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for such additional amounts.
- (B) If the Issuer would, on the next payment of principal or interest in respect of the Unsubordinated Notes, Coupons, or Receipts, be prevented by French law from making payment to the holders of Unsubordinated Notes or, if applicable, Couponholders or Receipholders of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8 below, then the Issuer, shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven calendar days’ prior notice to the holders of Unsubordinated Notes or, if applicable, the Couponholders or the Receipholders in accordance with Condition 15, redeem all, but not some only, of the Unsubordinated Notes then outstanding at their Early Redemption Amount (as described in Condition 6(i) above) together with any interest accrued to the date set for redemption on the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the

Unsubordinated Notes or, if applicable, Receipts or Coupons, or, if that date is passed, as soon as practicable thereafter.

(ii) Subordinated Notes

- (A) If Gross-Up Event Call Option is specified in the relevant Final Terms and if by reason of a change in French law or regulation, or any change in the official application or interpretation of such law or regulation, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment due in respect of the Subordinated Notes, not be able to make such payment without having to pay additional amounts as specified in Condition 8 below (a “**Gross-Up Event**”), the Issuer may, at its option, at any time, subject to having given not more than 60 nor less than 30 calendar days’ prior notice to the holders of Subordinated Notes (which notice shall be irrevocable), in accordance with Condition 15, redeem all of the Subordinated Notes (but not some only) at their principal amount together with any accrued interest to, but excluding, the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal and interest without withholding for French taxes.
- (B) If Withholding Tax Event Call Option is specified in the relevant Final Terms and if the Issuer would on the occasion of the next payment in respect of the Subordinated Notes be prevented by French law or regulation from making payment to the holders of Subordinated Notes of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8 below (a “**Withholding Tax Event**”), then the Issuer may, at its option, at any time, subject to having given not less than 7 calendar days’ prior notice to the holders of Subordinated Notes (which notice shall be irrevocable) in accordance with Condition 15, redeem all of the Subordinated Notes (but not some only) at their principal amount together with any accrued interest to, but excluding, the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon) on the latest practicable date on which the Issuer could make payment of the full amount payable in respect of the Subordinated Notes without withholding or deduction for French taxes, or, if such date is passed, as soon as practicable thereafter.
- (C) If Tax Deductibility Event Call Option is specified in the relevant Final Terms and if an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law or regulation, becoming effective after the Issue Date, the tax regime of any payments under the Subordinated Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Subordinated Notes that is tax-deductible being reduced (a “**Tax Deductibility Event**”), the Issuer may, at its option, at any time (subject to having given not more than 60 nor less than 30 calendar days’ notice to the holders of Subordinated Notes (which notice shall be irrevocable) in accordance with Condition 15), redeem all of the Subordinated Notes (but not some only) at (i) the Tax Deductibility Event Early Redemption Price specified in the relevant Final Terms where such redemption occurs prior to the Tax Deductibility Event Cut-Off Date, or (ii) their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) where such redemption occurs on or after Tax Deductibility Event Cut-

Off Date, provided that the effective date of redemption of which notice hereunder may be given shall be no earlier than the latest practicable date preceding the effective date on which the tax regime of interest payments under the Subordinated Notes is modified.

Prior to the giving of any such notice of redemption in this Condition 6(j)(ii), the Issuer shall deliver or procure that there is delivered to the Fiscal Agent and, in accordance with Condition 15, to the holders of Subordinated Notes, a certificate signed by a duly authorised representative of the Issuer confirming that the Issuer is entitled to effect such redemption and setting out the facts showing that the conditions precedent to the right to effect such redemption have been met.

(k) **Early redemption of the Notes following a Change of Control:**

(i) **Unsubordinated Notes – Change of Control Put Option**

If Change of Control Put Option is specified in the relevant Final Terms and if, at any time while any Unsubordinated Note remains outstanding, there occurs a Change of Control and within the Change of Control Period, a Rating Downgrade occurs or has occurred as a result of such Change of Control (the “**Put Event**”), the holder of such Unsubordinated Note will have the option, (the “**Change of Control Put Option**”) (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice of its intention to redeem the Unsubordinated Notes under Condition 6(j)(i)) to require the Issuer to redeem or, at the Issuer’s option, to procure the purchase of that Unsubordinated Note, on the Optional Redemption Date (as defined below) at its principal amount together with (or where purchased, together with an amount equal to) interest accrued to, but excluding, the Optional Redemption Date (as defined below).

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a “**Put Event Notice**”) to the holders of Unsubordinated Notes in accordance with Condition 15 specifying the nature of the Put Event, the circumstances giving rise to it and the procedure for exercising the Change of Control Put Option contained in this Condition 6(k).

To exercise the Change of Control Put Option to require redemption or, as the case may be, purchase of the Unsubordinated Notes following a Put Event, a holder of one or more Unsubordinated Notes must transfer or cause to be transferred its Unsubordinated Notes to be so redeemed or purchased to the account of the Fiscal Agent specified in the Put Option Notice (as defined below) for the account of the Issuer within the period of 45 calendar days after the Put Event Notice is given (the “**Put Period**”) together with a duly signed and completed notice of exercise (a “**Put Option Notice**”) and in which the holder shall specify a bank account to which payment is to be made under this Condition 6(k).

A Put Option Notice once given shall be irrevocable. The Issuer shall redeem or, at the option of the Issuer, procure the purchase of the Unsubordinated Notes in respect of which the Change of Control Put Option has been validly exercised as provided above and subject to the transfer of such Unsubordinated Notes to the account of the Fiscal Agent for the account of the Issuer, on the date which is the fifth (5) business day in Paris following the end of the Put Period (the “**Optional Redemption Date**”). Payment in respect of such Unsubordinated Notes will be made on the Optional Redemption Date by transfer to the bank account specified in the Put Option Notice and otherwise subject to the provisions of Condition 7.

For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which the holder of an Unsubordinated Note may incur as a result of or in connection with such holder of Unsubordinated Notes’ exercise or purported exercise of, or otherwise in connection with, any Change of Control Put Option (whether as a result of any purchase or redemption arising there from or otherwise).

(ii) Subordinated Notes – Change of Control Call Event

If a Change of Control occurs after the Issue Date and within the Change of Control Period, a Rating Downgrade occurs or has occurred as a result of such Change of Control (the “**Change of Control Call Event**”), the Issuer may, at its option (a “**Change of Control Call Option**”), at any time, redeem or procure the purchase of all the Subordinated Notes (but not some only) at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon).

Promptly upon the Issuer becoming aware that a Change of Control Call Event has occurred, the Issuer shall give notice (a “**Call Event Notice**”) to the holders of the Subordinated Notes in accordance with Condition 15 specifying the nature of the Change of Control Call Event, the circumstances giving rise to it and either the date on which redemption of the Subordinated Notes will take place or the Issuer’s election not to redeem the Subordinated Notes.

If the Issuer elects to redeem the Subordinated Notes, such redemption or purchase will take place not less than 15, nor more than 60 calendar days after a Call Event Notice is given.

Further to the occurrence of a Change of Control Call Event described in this Condition 6(k)(ii), if the Change of Control Call Option has not been exercised by the Issuer, the interest payable on the Subordinated Notes will be increased by an additional margin specified in the relevant Final Terms (the “**Change of Control Step Up Margin**”) from and including the date of the Call Event Notice to, but excluding, the redemption of the Subordinated Notes.

(iii) Definitions

“**Change of Control**” shall be deemed to have occurred each time that any person or group of persons acting in concert or any person or persons acting on behalf of any such person(s) (a “**Relevant Persons**”) in each case come(s) to own or acquire(s) directly or indirectly such number of shares in the capital of the Issuer carrying (a) more than fifty per cent. (50%) of the voting rights exercisable at a general meeting of the Issuer or (b) otherwise the ability to determine in fact through voting rights held (directly or indirectly) by such Relevant Person(s) the decisions taken at ordinary or extraordinary shareholders’ general meetings of the Issuer.

“**Change of Control Period**” means the period commencing on the date that is the earlier of (a) the date of the first public announcement of the result (*avis de résultat*) by the AMF of the relevant Change of Control (the “**Relevant Announcement Date**”) and (b) the date of the earliest Potential Change of Control Announcement (as defined below) (if any) and ending on (i) the date which is 180 calendar days after, respectively, (a’) the Relevant Announcement Date or (b’) the date of the Potential Change of Control Announcement, or (ii) such longer period for which the Issuer, the Subordinated Notes or the senior unsecured long term debt of the Issuer are under consideration (such consideration having been announced publicly within the period ending 120 calendar days after the occurrence of the relevant Change of Control or, as the case may be, the Potential Change of Control Announcement) for rating review or, as the case may be, rating by, a Rating Agency, such period not to exceed 70 calendar days after the public announcement of such consideration.

“**Rating Downgrade**” shall be deemed to have occurred in respect of a Change of Control (a) if within the Change of Control Period the corporate credit rating previously assigned to the Issuer by any Rating Agency is (x) withdrawn or (y) changed from an investment grade rating (BBB-/Baa3, or their respective equivalents for the time being, or better) to a non-investment grade rating (BB+/Ba 1, or their respective equivalents for the time being, or worse) or (z) if the corporate rating previously assigned to the Issuer by any Rating Agency was below an investment grade rating (as described above), lowered by at least

one full rating notch (for example, from BB+ to BB or their respective equivalents) or (b) if, on the Relevant Announcement Date or, as the case may be, the Potential Change of Control Announcement, no corporate credit rating is assigned to the Issuer and, within the Change of Control Period, no Rating Agency assigns an investment grade rating to the Issuer (the “**Non Investment Grade Rating**”), provided that in both cases, a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Change of Control if the Rating Agency withdrawing, making the change in rating or assigning the Non Investment Grade Rating does not publicly announce or confirm that the withdrawal, the reduction or the Non Investment Grade Rating was the result, in whole or part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control.

“**Rating Agency**” means S&P Global Ratings Europe Limited or Moody’s Deutschland GmbH or any other rating agency of equivalent international standing requested by the Issuer to grant a corporate credit rating to the Issuer and, in each case, their respective successors or affiliates.

“**Potential Change of Control Announcement**” means any public announcement or statement by the Issuer, any actual or potential bidder or any designated advisor thereto relating to any specific and near-term potential Change of Control (whereby “near-term” shall mean that such potential Change of Control is reasonably likely to occur, or is publicly stated by the Issuer, the actual or potential bidder or any such designated advisor to be intended to occur, within 12 months of the date of such announcement or statement).

(l) **Redemption on Acquisition Event**

If an Acquisition Event Call Option is specified in the relevant Final Terms and an Acquisition Event (as defined below) occurs, the Issuer may, on giving promptly and in any event not more than 60 days after the occurrence of such Acquisition Event and not more than 30 nor less than 15 calendar days before the date set for redemption, irrevocable notice to the holders of Notes in accordance with Condition 15, subject to having also given notice to the Fiscal Agent, redeem in whole or in part or, if so specified in the relevant Final Terms, in whole only, the Notes at the Optional Redemption Amount (specified in the relevant Final Terms) together with (x) in respect of Unsubordinated Notes, any interest accrued to the date set for redemption and (y) in respect of Subordinated Notes, any interest accrued to the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon). The Issuer may waive its right to call the Notes in accordance with this Condition 6(l) by giving notice (which shall be irrevocable) pursuant to Condition 15. The Subordinated Notes will only be redeemable in whole.

If an Acquisition Event Call Option is specified in the relevant Final Terms and solely in respect of Unsubordinated Notes, the Issuer shall not be entitled, during a period of twelve (12) months following the exercise by the Issuer of such Acquisition Call Event Option to exercise a Clean-up Call Option in accordance with Condition 6(e) with respect to such Unsubordinated Notes.

An “**Acquisition Event**” shall have occurred if:

- (i) on or prior to the Acquisition Event Limit Date specified in the relevant Final Terms, the Issuer has not completed and closed the acquisition of the Targeted Company (as defined in the relevant Final Terms); or
- (ii) the Issuer has publicly stated that it no longer intends to pursue the acquisition of the Targeted Company (as defined in the relevant Final Terms).

In the case of a partial redemption, the relevant provisions of Condition 6(f) shall apply *mutatis mutandis* to this Condition 6(l).

(m) **Redemption following an Accounting Event**

If Accounting Event Call Option is specified in the relevant Final Terms and an Accounting Event shall occur on or after the Issue Date, the Issuer may, at its option, redeem all, but not some only, of the Subordinated Notes on any day from the Accounting Event Adoption Date, subject to the Issuer having given to the holders of Subordinated Notes not less than 15, or more than 60, calendar days' prior notice (which notice shall be irrevocable) in accordance with Condition 15, at (i) the Accounting Event Early Redemption Price specified in the relevant Final Terms where such redemption occurs prior to the Accounting Event Cut-Off Date specified in the relevant Final Terms, or (ii) their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) where such redemption occurs on or after the Accounting Event Cut-Off Date.

Prior to the giving of any such notice of redemption, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent and, in accordance with Condition 15, to the holders of Subordinated Notes, (i) a certificate signed by a duly authorised representative of the Issuer confirming that the Issuer is entitled to effect such redemption and setting out the facts showing that the conditions precedent to the right to effect such redemption have been met and (ii) a copy of the letter or report referred to in the definition "Accounting Event".

**"Accounting Event"** means that a recognised accountancy firm, acting upon instructions of the Issuer, has delivered a letter or report to the Issuer, stating that as a result of a change in accounting principles (or the application thereof) which have been officially adopted after the Issue Date (such date, the **"Accounting Event Adoption Date"**), the Subordinated Notes may not or may no longer be recorded as "equity" in full in the audited annual or the semi-annual consolidated financial statements of the Issuer pursuant to the International Financial Reporting Standards ("**IFRS**") or any other accounting standards that may replace IFRS. The Accounting Event shall be deemed to have occurred on the Accounting Event Adoption Date notwithstanding any later effective date. The period during which the Issuer may notify the redemption of the Subordinated Notes as a result of the occurrence of an Accounting Event shall start on the Accounting Event Adoption Date. For the avoidance of doubt such period shall include any transitional period between the Accounting Event Adoption Date and the date on which it comes into effect.

(n) **Redemption following a Rating Event**

If Rating Event Call Option is specified in the relevant Final Terms and an a Rating Event shall occur on or after the Issue Date, then the Issuer may, at its option, subject to having given not less than 15 nor more than 60 calendar days' notice to the Fiscal Agent and, in accordance with Condition 15, to the holders of Subordinated Notes (which notice shall be irrevocable), redeem all, but not some only, of the Subordinated Notes at any time, at (i) the Rating Event Early Redemption Price specified in the relevant Final Terms where such redemption occurs prior to the Rating Event Cut-Off Date specified in the relevant Final Terms, or (ii) their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) where such redemption occurs on or after the Rating Event Cut-Off Date, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date before the date on which the Subordinated Notes will no longer be eligible for the same or higher category of equity credit.

Prior to the giving of any such notice of redemption, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent and, in accordance with Condition 15, to the holders of Subordinated Notes, (i) a certificate signed by a duly authorised representative of the Issuer confirming that the Issuer is entitled to effect such redemption and setting out the facts showing that the conditions precedent to the



right to effect such redemption have been met and (ii) evidence of the written confirmation referred to in the definition of “Rating Event”.

“**Rating Event**” means that the Issuer has received written confirmation from any Rating Agency from whom the Issuer is assigned solicited ratings either directly or via a publication by such agency, that an amendment, clarification or change has occurred in the “equity credit” criteria (or such other nomenclature that the relevant Rating Agency may then use to describe the degree to which an investment exhibits the characteristics of an ordinary share) of such Rating Agency or the application thereof, effective after the Issue Date (or effective after the date when the equity credit is assigned for the first time, as applicable), which amendment, clarification or change or the application thereof results in (a) a lower equity credit for the Subordinated Notes than the then respective equity credit assigned on the Issue Date, or if equity credit is not assigned on the Issue Date, at the date when the equity credit is assigned for the first time or (b) the period of time during which the relevant Rating Agency has assigned to the Subordinated Notes a particular level of "equity credit" being shortened as compared to the period of time for which such Rating Agency did assign to the Subordinated Notes that level of “equity credit” on the Issue Date, or if such “equity credit” was not assigned on the Issue Date, at the date when the "equity credit" was assigned for the first time.

- (o) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Unsubordinated Notes issued as Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Unless the possibility of holding and reselling is expressly excluded in the relevant Final Terms, all Notes so purchased by or on behalf of the Issuer may be cancelled or held and resold in accordance with applicable laws and regulations.
- (p) **Cancellation:** All Notes purchased for cancellation by or on behalf of the Issuer will forthwith be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Bearer Notes, by surrendering the Materialised Bearer Notes in question together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, will, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Unsubordinated Notes issued as Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (q) **Illegality:** If, by reason of any change in French law or any change in the official application of such law, becoming effective after the Issue Date, it will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Unsubordinated Notes, the Issuer will, subject to having given not more than 45 nor less than 30 calendar days’ notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Unsubordinated Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption.

## 7 Payments and Talons

- (a) **Dematerialised Notes:** Payments of principal and interest in respect of Dematerialised Notes shall be made (i) (in the case of Dematerialised Notes in bearer dematerialised form or administered registered dematerialised form) by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the relevant Noteholder and (ii), (in the case of Dematerialised Notes

in fully registered form, to an account denominated in the relevant currency with a Bank designated by the relevant Noteholder). All payments validly made to such Account Holders will constitute an effective discharge of the Issuer in respect of such payments.

- (b) **Materialised Bearer Notes:** Payments of principal and interest in respect of Materialised Bearer Notes shall, subject as mentioned below, be made against presentation and surrender during usual business hours of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Materialised Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, (i) in the case a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Noteholder, by transfer to an account denominated in such currency with, a Bank. “**Bank**” means a bank in the principal financial centre for such currency or (ii) in the case of Renminbi in Hong Kong, and (iii) in the case of euro, in a city in which banks have access to the T2. This Condition 7(b) is not applicable to Subordinated Notes.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Bearer Notes are denominated in U.S. dollar, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Unsubordinated Notes issued as Materialised Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer. This Condition 7(c) is not applicable to Subordinated Notes.
- (d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders, Couponholders or Receiptholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent, the Registration Agent and the Consolidation Agent initially appointed under the Agency Agreement and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Registration Agent, the Make-Whole Calculation Agent and the Consolidation 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, the Redenomination Agent, the Registration Agent, the Consolidation Agent, the Calculation Agent(s) or the Make-Whole Calculation Agent and to appoint additional or other Fiscal Agent(s), Paying Agents and/or Calculation Agent(s), provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Make-Whole Calculation Agent (which may be the Calculation Agent), (iv) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities, (vi) in the case of Dematerialised Notes, in fully registered form, a Registration Agent, and (vii) such other agents as may be required by the rules of any other Regulated Market on which the Notes may be listed and admitted to trading.

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

On a redenomination of the Notes of any Series pursuant to Condition 1(d) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 14, the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both such Notes and such other Series of Notes to be so consolidated with such Notes.

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

**(f) Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Upon the due date for redemption of Materialised Bearer Notes which comprise Fixed Rate Notes, those Unsubordinated Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Amortised Nominal Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10) provided that, if any Materialised Bearer Note should be issued with a maturity date and an Interest Rate or Rates such that, on the presentation for payment of any such Note without any unmaturing Coupons attached thereto or surrendered therewith, the amount required to be deducted in respect of such unmaturing Coupons would be greater than the relevant Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Note, such unmaturing Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the foregoing provisions in respect of such Coupons as have not so become void, the amount required by this paragraph to be deducted would not be greater than the relevant Redemption Amount otherwise due for payment. Where the application of the foregoing provisions requires some but not all of the unmaturing Coupons relating to a Materialised Bearer Note to become void and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.
- (ii) Upon the due date for redemption of any Materialised Bearer Note comprising a Floating Rate Note or an Inflation Linked Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Materialised Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Materialised Bearer Note that is redeemable in instalments, all Receipts relating to such Materialised Bearer Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

- (v) Where any Materialised Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Unsubordinated Notes is presented for redemption without all unmatured Coupons, and where any such Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Materialised Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Materialised Bearer Note. Interest accrued on a Materialised Bearer Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Materialised Bearer Notes.

This Condition 7(f) is not applicable to Subordinated Notes.

- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10). This Condition 7(g) is not applicable to Subordinated Notes.
- (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the Noteholder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Unsubordinated Notes issued as Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as “Financial Centres” in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than euro and Renminbi, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in euro, which is a TARGET Business Day, or (iii) in the case of payment in Renminbi, on which banks and foreign exchange markets are open for business and settlement or Renminbi payment in Hong Kong.
- (i) **Payment of U.S. Dollar Equivalent:** Notwithstanding any other provision in these Conditions, if an Inconvertibility, Non-Transferability or Illiquidity occurs or if Renminbi is otherwise not available to the Issuer as a result of circumstances beyond its control and such unavailability has been confirmed by a Renminbi Dealer, following which the Issuer is unable to satisfy payments of principal or interest (in whole or in part) in respect of RMB Notes, the Issuer on giving not less than five nor more than 30 calendar day irrevocable notice to the holders of RMB Notes prior to the due date for payment, may settle any such payment (in whole or in part) in U.S. dollar on the due date at the U.S. Dollar Equivalent of any such Renminbi denominated amount.

In such event, payments of the U.S. Dollar Equivalent of the relevant principal or interest in respect of the RMB Notes shall be made by transfer to the U.S. dollar account of the relevant Account Holders for the benefit of the holders of RMB Notes. For the avoidance of doubt, no such payment of the U.S. Dollar Equivalent shall by itself constitute a default in payment within the meaning of Condition 9.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7(i) by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Agents and all holders of RMB Notes.

For the purposes of this Condition 7(i):

“**Governmental Authority**” means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong.

“**Illiquidity**” means that the general Renminbi exchange market in Hong Kong becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers.

“**Inconvertibility**” means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of RMB Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

“**Non-Transferability**” means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong or from an account outside Hong Kong to an account inside Hong Kong (including where the Renminbi clearing and settlement system for participating banks in Hong Kong is disrupted or suspended), other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

“**Renminbi Dealer**” means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong reasonably selected by the Issuer.

“**RMB Note**” means a Unsubordinated Note denominated in Renminbi.

“**RMB Rate Calculation Agent**” means the agent appointed from time to time by the Issuer for the determination of the RMB Spot Rate or identified as such in the relevant Final Terms.

“**RMB Rate Calculation Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City.

“**RMB Rate Calculation Date**” means the day which is two RMB Rate Calculation Business Days before the due date for payment of the relevant Renminbi amount under the Conditions.

“**RMB Spot Rate**” for a RMB Rate Calculation Date means the spot RMB/U.S. dollar exchange rate for the purchase of U.S. dollar with RMB in the over-the-counter RMB exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11:00 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCN3 or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither such rate is available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at or around 11:00 a.m. (Hong Kong time) on the RMB Rate Calculation Date as the most recently available RMB/U.S. dollar official fixing rate for settlement on the relevant due date for payment reported by The State Administration of Foreign

Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

“**U.S. Dollar Equivalent**” means the relevant Renminbi amount converted into U.S. dollar using the RMB Spot Rate for the relevant RMB Rate Calculation Date, as calculated by the RMB Rate Calculation Agent.

This Condition 7(i) is not applicable to Subordinated Notes.

## 8 Taxation

- (a) **Withholding tax:** All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes, Receipts or Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.
- (b) **Additional amounts:** If French law should require that payments of principal, interest or other revenues in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon, as the case may be:
- (i) **Other connection:** to, or to a third party on behalf of, a Noteholder or, if applicable, a Receiptholder or Couponholder, as the case may be, who is liable to such taxes, duties, assessments, governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Republic of France other than the mere holding of the Note, Receipt or Coupon; or
- (ii) **Presentation more than 30 calendar days after the Relevant Date:** in the case of Materialised Notes, more than 30 calendar days after the Relevant Date except to the extent that the Noteholder or, if applicable, the Receiptholder or Couponholder, as the case may be, would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or
- (iii) **Non-cooperative State or territory:** if the Notes do not benefit from any exception provided in *Bulletins officiels des Finances Publiques Impôts*, BOI-RPPM-RCM-30-10-20-40 dated 20 December 2019, BOI-IR-DOMIC-10-20-20-60 dated 20 December 2019, BOI-INT-DG-20-50-20 dated 6 June 2023 and BOI-INT-DG-20-50-30 dated 14 June 2022 of the French tax authorities, and when such withholding or deduction is required to be made by reason of that interest, Receipt or Coupon being (x) paid to a bank account opened in a financial institution established in, or (y) paid or accrued to a person established or domiciled in, a non-cooperative State or territory (*Etat ou territoire non-coopératif*) as defined in Article 238-0 A of the French *Code général des impôts* pursuant to Articles 125 A III, 119 *bis* and 238 A of the same code.

Notwithstanding any other provision of the Conditions, all payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes, Receipts, Coupons or Talons shall be paid

net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “*U.S. Internal Revenue Code*”), or otherwise imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “*FATCA Withholding*”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, in the case of Materialised Notes (if earlier) the date seven calendar days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition.

- (c) **Supply of information:** Each Noteholder shall be responsible for supplying to the relevant Paying Agent, in a timely manner, any information as may be required in order to comply with the identification and reporting obligations imposed on it by Article 242 *ter* of the French *Code general des impôts*.

## 9 Events of Default

### (a) Unsubordinated Notes

The Representative (as defined under Condition 11(a)), upon request of any holder of Unsubordinated Notes, may, upon written notice to the Issuer and the Fiscal Agent given before all defaults shall have been cured, cause the principal amount of all the Unsubordinated Notes (but not some only) held by such Noteholder to become immediately due and payable at their Early Redemption Amount, together with accrued interest thereon, as of the date on which such notice for payment is received by the Fiscal Agent without further formality, if any of the following events (each an “**Event of Default**”) shall occur:

- (i) the Issuer defaults in any payment when due of principal or interest on any Unsubordinated Note (including the payment of any additional amounts pursuant to the provisions set forth under “*Taxation*” above) if such default shall not have been cured within 14 business days in Paris; or
- (ii) there is a default by the Issuer in the due performance of any other material provision of the Unsubordinated Notes and such default shall not have been cured within 30 business days in Paris after receipt by the Fiscal Agent of written notice of default given by the Representative upon request of the holder of an Unsubordinated Note; or
- (iii) the Issuer or any of its Principal Subsidiaries being in default in the due and punctual payment of the principal of, or premium or interest on, any present or future indebtedness for borrowed monies when and as the same becomes due and payable and giving effect to any applicable grace periods, there is an acceleration of any such indebtedness or steps are taken to enforce any security in respect of any such indebtedness, provided that the aggregate amount of the relevant

indebtedness for borrowed money in respect of which any one or more of the events of default thereunder has or have occurred equals or exceeds Euro 80,000,000 (or its equivalent in any other currency); or

- (iv) a judgment is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or any of its Principal Subsidiaries; or, to the extent permitted by law, the Issuer or any of its Principal Subsidiaries is subject to any other insolvency or bankruptcy proceedings under any applicable laws or the Issuer or any of its Principal Subsidiaries makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors; or
- (v) the Issuer and its Principal Subsidiaries taken as a whole cease to carry on all or a material part of their business or other operations, except for the purposes of, and following a merger or a reorganisation (*fusion, scission or apport partiel d'actifs*) (i) on terms approved by the General Meeting or by way of a Written Resolution to the extent that French law requires such merger or reorganisation to be submitted for the approval to the General Meeting or through a Written Resolution or (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of the Principal Subsidiary are vested in the Issuer, another Principal Subsidiary or any other company which as a result of such merger or reorganisation becomes a Principal Subsidiary.

“**General Meeting**” shall have the meaning given to it in Condition 11.

“**Principal Subsidiary**” shall have the meaning given to it in Condition 4(a).

“**Written Resolution**” shall have the meaning given to it in Condition 11.

## (b) **Subordinated Notes**

There are no events of default in respect of the Subordinated Notes. There is no cross default under the Subordinated Notes.

However, each Subordinated Note shall become immediately due and payable at its principal amount, together with accrued interest thereon, if any, to the date of payment and any Arrears of Interest (including any Additional Interest Amounts thereon), in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or in the event of the voluntary dissolution of the Issuer, or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency whereby the surviving entity assumes all obligations of the Issuer under the Subordinated Notes). No payments will be made to holders of any class of the share capital of the Issuer before all amounts due, but unpaid, to all holders of Subordinated Notes have been paid by the Issuer.

## 10 **Prescription**

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within five years (in the case of principal and interest) from the appropriate Relevant Date in respect of them.



## 11 Representation of Noteholders

(a) *Masse*:

The Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the “*Masse*”) which will be subject to the below provisions of this Condition.

All notices, publications or inclusions specified in the French *Code de commerce* and relating to the *Masse* shall be done in accordance with Condition 15.

The *Masse* will be governed by the provisions of the French *Code de commerce* with the exception of Articles L.228-48, L.228-59, L.228-71, Article L.228-65 I, 1° and 6° and Articles R.228-61, R.228-63 and R.228-69 subject to the following provisions:

(i) Legal Personality:

The *Masse* will be a separate legal entity and will act in part through a representative (the “**Representative**”) and in part through a general meeting of Noteholders (the “**General Meeting**”).

The *Masse* alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

(ii) Representative of the *Masse*:

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representatives:

- the Issuer and the members of its board of directors (*conseil d'administration*), its general managers (*directeurs généraux*), its statutory auditors and its employees as well as their ascendants, descendants and spouses;
- companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their board of directors (*conseil d'administration*), of their management board (*directoire*) and of their supervisory board (*conseil de surveillance*), their statutory auditors and their employees as well as their ascendants, descendants and spouses;
- companies holding 10 per cent. or more of the share capital of the Issuer and companies having 10 per cent. or more of their share capital held by the Issuer; or
- persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The names and addresses of the Representative of the *Masse* will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single *Masse* of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement, dissolution or revocation of appointment of the Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

(iii) Powers of the Representative:

The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not interfere in the management of the affairs of the Issuer.

(iv) General Meeting:

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders may commission one of themselves to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published as provided under Condition 15 not less than 15 calendar days prior to the date of such General Meeting on first convocation and not less than 10 calendar days prior to the date of the General Meeting on second convocation.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, correspondence, videoconference or any other means of telecommunications allowing the identification of the participating Noteholders as provided *mutatis mutandis* by Article R.225-97 of the French *Code de commerce*. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(v) Powers of the General Meetings:

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the liabilities (*charges*) of the Noteholders, nor establish any unequal treatment between the Noteholders, nor to decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least one-fifth of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-

third majority of votes cast by Noteholders attending such General Meetings or represented thereat.

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 00:00, Paris time on the second business day in Paris preceding the date set for the meeting of the relevant General Meeting.

Decisions of General Meetings and Written Resolutions once approved must be published in accordance with the provisions set forth in Condition 15.

(vi) Written Resolutions:

Pursuant to Article L.228-46-1 of the French *Code de commerce*, but in respect of any Series of Dematerialised Notes only, the Issuer shall be entitled in lieu of the holding of a General Meeting to seek approval of a resolution from the Noteholders by way of a resolution in writing (a “**Written Resolution**”). Subject to the following sentence a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders. Pursuant to Articles L.228-46-1 and R.225-97 of the French *Code de commerce* approval of a Written Resolution may also be given by way of electronic communication allowing the identification of Noteholders (“**Electronic Consent**”).

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 15(e) not less than 15 calendar days prior to the date fixed for the passing of such Written Resolution (the “**Written Resolution Date**”). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Notes until after the Written Resolution Date.

A Written Resolution will be approved if, on first notice (i) Noteholders expressing their approval or rejection of such proposed Written Resolution hold at least one fifth of the principal amount of the Notes then outstanding and (ii) Noteholders expressing their approval hold at least 66.6 per cent. of such quorum.

If such quorum is not met, a Written Resolution will be approved if, on second notice, Noteholders expressing their approval represent at least 66.6 per cent. of all voting Noteholders.

(vii) Exclusion of certain provisions of the French *Code de commerce*:

The provisions of Articles L.228-48, L.228-59, L.228-71, Article L.228-65 I. 1° and 6° of the French *Code de commerce* (respectively providing for a prior approval by the General Meeting of the Noteholders of (i) any change in corporate purpose or form of the Issuer and (ii) any proposal to transfer the registered office of a *societas europaea* to another Member State of the European Union), Article L.229-2 of the French *Code de commerce* (providing that such transfer requires the prior approval by the General Meeting of the Noteholders unless the redemption is offered upon simple request) and Articles R.228-61, R.228-63 and R.228-69 and the related provisions of the French *Code de commerce* shall not apply to the Notes. As a result of these exclusions, no General Meeting shall be held nor a Written Resolution shall be submitted and no

early redemption of any Note by the Issuer shall be requested by the Noteholders in respect of such modification.

(b) **Information to Noteholders:**

Each Noteholder or Representative thereof will have the right, during the 15-calendar day period preceding the holding of each General Meeting on first convocation and Written Resolution Date and during the 10-calendar day period preceding the holding of each General Meeting on second convocation, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be prepared in connection with such resolutions, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents during usual business hours and at any other place specified in the notice of the General Meeting or Written Resolution.

(c) **Expenses:**

The Issuer will pay all expenses relating to the operation of the *Masse*, including expenses relating to the calling and holding of General Meetings and seeking of a Written Resolution and, more generally, all administrative expenses resolved upon by the General Meeting or in writing by the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(d) **Single Masse:**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 14, shall, for the defence of their respective common interests, be grouped in a single *Masse*. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single *Masse* of all such Series.

(e) **One Noteholder:**

If and for so long as the Notes of any Series are held by a single Noteholder and unless a Representative has been appointed in relation to such Series, such Noteholder shall exercise all powers, rights and obligations entrusted to the *Masse* by the provisions of Condition 11. The Issuer shall hold a register of the decisions taken by the sole Noteholder and shall make them available, upon request, to any subsequent holder of any of the Notes of such Series.

(f) **Benchmark Discontinuation:**

By subscribing the Notes and solely in the context of a Mid-Swap Benchmark Event or a Benchmark Event which leads to the application of a Mid-Swap Benchmark Amendment or a Benchmark Amendment, each Noteholder shall be deemed to have agreed and approved any Mid-Swap Benchmark Amendment or any Benchmark Amendment or such other necessary changes pursuant to Condition 5(b)(ii)(C) and Condition 5(c)(iii)(D), respectively.

For the avoidance of doubt, in this Condition 11, the term “**outstanding**” shall not include those Notes subscribed or purchased by the Issuer in accordance with applicable laws and regulations that are held by it and not cancelled.

## 12 Final Terms

These Conditions may be completed in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

### 13 Replacement of definitive Notes, Receipts, Coupons and Talons

If, in the case of any Materialised Bearer Notes, a Definitive Materialised Bearer Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Bearer Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Bearer Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Bearer Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

### 14 Further Issues and Consolidation

- (a) **Further Issues:** The Issuer may, without the consent of the Noteholders, Receiptholders or Couponholders create and issue further Notes to be assimilated (*assimilables*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest specified in the relevant Final Terms) and that the terms of such Notes provide for such assimilation and references in these Conditions to “Notes” shall be construed accordingly.
- (b) **Consolidation:** The Issuer, with the prior approval of the Consolidation Agent, may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 calendar days’ prior notice to the Noteholders in accordance with Condition 15, without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in euro, provided such other Notes have been redenominated in euro (if not originally denominated in euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

### 15 Notices

- (a) Notices to the holders of Dematerialised 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 weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) at the option of the Issuer, they are published (a) so long as such Notes are listed on Euronext Paris, in a leading daily newspaper of general circulation in France (which is expected to be *Les Echos*), or (b) in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or (c) in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the AMF and so long as such Notes are listed and admitted to trading on any stock exchange and the rules of such stock exchange(s) so require, in a leading daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes are listed and admitted to trading is located, and on the website of any other competent authority or Regulated Market where the Notes are listed and admitted to trading.
- (b) Notices to the holders of Materialised Bearer Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if (a) published so long as such Notes are listed and admitted to trading on Euronext Paris, in a leading daily newspaper of general circulation in France (which is expected to be *Les Echos*), or (b) they are published in a leading daily newspaper of general circulation in Europe

(which is expected to be the *Financial Times*) or (c) they are published in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the AMF and so long as such Notes are listed and admitted to trading on any stock exchange, in a leading daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes are listed and admitted to trading is located and on the website of any other competent authority or Regulated Market where the Notes are listed and admitted to trading.

- (c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Bearer Notes in accordance with this Condition.
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication of a notice required by Conditions 15(a) and (b) above; except that (i) so long as such Notes are listed and admitted to trading on a Regulated Market or other stock exchange and the rules of such Regulated Market(s) or other stock exchange so require, notices shall also be published in a leading daily newspaper of general circulation in the city/ies where the Regulated Market(s) or other stock exchange on which such Notes are listed and admitted to trading is located.
- (e) Notices relating to the convocation, decision(s) of the General Meetings or Written Resolutions pursuant to Condition 11, or notices of decisions taken by the Issuer following a General Meeting or a Written Resolution, or pursuant to Article R.236-14 of the French *Code de commerce*, shall be published on the website of the Issuer ([www.arkema.com](http://www.arkema.com)) and: (i) in the case of the holders of Notes in registered form (*au nominatif*), mailed to them at their respective addresses, in which case they shall be deemed to have been given on the fourth (4<sup>th</sup>) weekday (being a day other than a Saturday or a Sunday) after the mailing; or (ii) in the case of the holders of Notes in bearer form (*au porteur*), given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared.

## 16 Governing Law and Jurisdiction

- (a) **Governing Law:** The Notes (and, where applicable, the Receipts, the Coupons and the Talons) are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons may be brought before any competent court located within the jurisdiction of the registered office of the Issuer.

## TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF UNSUBORDINATED NOTES ISSUED AS MATERIALISED BEARER NOTES

### Temporary Global Certificate

A Temporary Global Certificate, without interest Coupons, will initially be issued in connection with Unsubordinated Notes issued as Materialised Bearer Notes. Upon the initial deposit of such Temporary Global Certificate with a common depository for Euroclear and Clearstream (the “**Common Depository**”), Euroclear or Clearstream will credit each subscriber with a nominal amount of Unsubordinated Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depository may also (if indicated in the relevant Final Terms) credit the accounts of subscribers with other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems with a nominal amount of Unsubordinated Notes. Conversely, a nominal amount of Unsubordinated Notes that is initially deposited with any clearing system other than Euroclear or Clearstream may similarly be credited to the accounts of subscribers with Euroclear or Clearstream.

### Exchange

Each Temporary Global Certificate issued in respect of Unsubordinated Notes issued as Materialised Bearer Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable, in whole, but not in part, for Definitive Materialised Bearer Notes; and
- (ii) otherwise, in whole but not in part, for Definitive Materialised Bearer Notes upon certification in the form set out in the Agency Agreement (and which shall be available at the specified offices of the Paying Agents) as to non-US beneficial ownership.

A holder of Unsubordinated Notes issued as Materialised Bearer Notes must exchange its share of the Temporary Global Certificate before interest or any amount payable in respect of the Unsubordinated Notes will be paid.

### Delivery of Definitive Materialised Bearer Notes

On or after its Exchange Date, the holder of the Temporary Global Certificate must surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for the Temporary Global Certificate so surrendered, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Bearer Notes.

In this Base Prospectus, “**Definitive Materialised Bearer Notes**” means, in relation to any Temporary Global Certificate, the Definitive Materialised Bearer Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Bearer Notes will be security printed in accordance with any applicable legal requirements of the Regulated Market in, or substantially in, the form set out in Schedule 2 Part A to the Agency Agreement (and which shall be available at the specified offices of the Paying Agents).

### Exchange Date

“**Exchange Date**” means, in relation to a Temporary Global Certificate, the next day succeeding the day that is 40 calendar days after its issue date, provided that, in the event any further Unsubordinated Notes issued as Materialised Notes are issued prior to such day pursuant to Condition 14, the Exchange Date for such Temporary Global Certificate shall be postponed to the day falling after the expiry of 40 calendar days after the issue of such further Unsubordinated Notes issued as Materialised Notes.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes will be used for Arkema's general corporate purposes. If in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.



## DESCRIPTION OF ARKEMA

For a general description of Arkema, its activities and its financial condition, please refer to the sections of the 2022 Universal Registration Document identified in the cross-reference table of the “*Documents Incorporated by Reference*” section of this Base Prospectus.

## RECENT DEVELOPMENTS

Florence Lambert and Séverin Cabannes were appointed as independent directors (*administrateurs indépendants*) at the Issuer's combined annual general meeting on 11 May 2023 to replace Victoire de Margerie and Laurent Mignon.

Information required by items 9.1 and 9.2 of Annex 7 of the Commission Delegated Regulation:

Name:	Florence Lambert	Séverin Cabannes
Principal activities outside of the Issuer:	Chief Executive Officer of Genvia	Director of Aéroports de Paris Director of Moody's France SAS Director of Moody's GmbH Director of Moody's Investors Service UK
Business address:	420 rue d'Estienne d'Orves, 92700 Colombes, France.	
Potential conflicts of interest:	There are no potential conflicts of interest between their duties to the Issuer and their private interests or their other duties.	

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On 27 September 2023, the Issuer published the following press release:

### **ARKEMA UNVEILS ITS 2028 AMBITION AND ACCELERATES ITS ORGANIC GROWTH IN HIGH PERFORMANCE MATERIALS AND SUSTAINABLE SOLUTIONS**

Arkema presents the new stage of its development at the Capital Markets Day of 27 September 2023. Building on the achievements since the April 2020 strategy update, the Group now aims to accelerate its organic sales growth in the medium term, by capitalizing on its recent or future industrial investments in high value-added technological solutions serving fast-growing market segments supported by sustainable megatrends.

- By 2028, Arkema aims to achieve sales of around €12bn with an elevated EBITDA margin of around 18%
- Average organic sales growth is expected at around 4% per year and average organic EBITDA growth at 7 to 8% per year over the 2024-28 period
- Cash generation should remain strong and shareholder returns increase by 30% over the 2024-28 period *versus* the prior 5 year period
- The Group will also capitalize on the recent validation of its 1.5°C trajectory by SBTi to further strengthen its decarbonization initiatives, paving the way for Net-Zero by 2050

Since the April 2020 Strategy Update, the Group has steadfastly continued its value-creative transformation, nearly completing its shift into a pure Specialty Materials player thanks to targeted investments, cutting-edge sustainable innovation and a high value-added portfolio management strategy. Arkema's materials science expertise is now built around the three coherent and complementary segments of Adhesive Solutions, Advanced Materials, and Coating Solutions, with an unmatched portfolio of cutting-edge technologies.

This transformation has generated strong financial returns for Arkema and enabled the Group to increase structural profitability. Arkema is thus on track to achieve the ambitious financial targets it set for 2024, while

delivering €1.3bn of shareholder returns since 2020 *via* dividends and share buybacks and maintaining strict financial discipline. Importantly, Arkema has also markedly improved its corporate social responsibility profile, notably with an ambitious climate plan aligned with the 1.5°C trajectory validated by SBTi, as well as improvements in workplace safety and in promoting diversity within the organization.

Since Covid, disruptive megatrends have accelerated the world's transformation, and Arkema is at the forefront of enabling change toward a more sustainable economy thanks to its high performance, innovative materials. Building on its successful evolution since 2020, having acquired or built an unparalleled portfolio of technologies, the Group is now ready to progress to the next level of its growth trajectory by leveraging its unique position.

Thus, by 2028, Arkema aims to achieve sales of around €12bn with an elevated EBITDA margin of around 18%, translating into average organic sales growth of around 4% per year and average organic EBITDA growth at 7% to 8% per year in the 2024-28 period. The Group will also maintain its strict financial discipline with a net debt to EBITDA ratio not greater than 2x.

In order to achieve this ambition, Arkema will place sustainability at the heart of its strategy through 5 main drivers:

- (i) Leveraging the strength of One Arkema to enhance employee empowerment and customer intimacy
- (ii) Achieving superior growth from sustainable innovation in 5 key submarkets driven by megatrends where Arkema has built leading positions with cutting-edge technologies
- (iii) Ramping up recent capex, notably the bio-based PA11 plant in Singapore and PVDF expansions, and carrying out new high return projects in batteries, renewable energy, decarbonization and bio-based products
- (iv) Further strengthening the portfolio with bolt-on acquisitions and the finalization of the divestment of Intermediates
- (v) Driving manufacturing excellence including a strong focus on decarbonization and digitalization

Cash generation over the 2024-28 period should remain strong and the total amount of operating cash flow<sup>3</sup> to allocate is expected to reach around €7bn, equating to an operating cash conversion rate<sup>4</sup> at around 70%. The amount returned to shareholders should increase by around 30% *versus* the 2019-23 period, including steady dividend growth leading to a payout ratio of close to 40% over the 2024-28 period, and some opportunistic share buybacks. Net M&A should represent half of the amount spent during the 2019-23 period while capex should increase by around 15%, reflecting inflation, decarbonization efforts and projects to support the Group's growth notably in batteries.

The Group will also capitalize on the recent validation of its 1.5°C trajectory by SBTi to further strengthen its decarbonization initiatives, paving the way for Net-Zero by 2050.

All these elements are detailed in the "Strategy Update - Lead for sustainable growth" presentation which will be available on the Company's website: [www.finance.arkema.com](http://www.finance.arkema.com).

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<sup>3</sup> Free cash flow before capex (intangible assets and property, plant and equipment additions)

<sup>4</sup> Operating cash flow divided by EBITDA

## DISCLAIMER

*The information disclosed in this document may contain forward-looking statements with respect to the financial condition, results of operations, business and strategy of Arkema. In the current context, where the world economy and the consequences of the Russian offensive in Ukraine on geopolitical equilibriums remain uncertain the retained assumptions and forward looking statements could ultimately prove inaccurate.*

*Such statements are based on management's current views and assumptions that could ultimately prove inaccurate and are subject to material risk factors such as among others, changes in raw material prices, currency fluctuations, implementation pace of cost-reduction projects, development of the Russian offensive against Ukraine, and changes in general economic and business conditions. These risk factors are further developed in the 2022 Universal Registration Document.*

*Arkema does not assume any liability to update such forward-looking statements whether as a result of any new information or any unexpected event or otherwise.*

*Further information on factors which could affect Arkema's financial results is provided in the 2022 Universal Registration Document and other documents filed with the French Autorité des marchés financiers.*

*Financial information since 2006 is extracted from the consolidated financial statements of Arkema. The business segment information is presented in accordance with Arkema's internal reporting system used by the management.*

*Besides its IFRS accounts, Arkema also uses alternative performance indicators to provide a more consistent and comparable analysis of the Group's financial performance. Such indicators are defined in the 2022 Universal Registration Document. In this document, the Group uses in particular the following indicators:*

***EBITDA margin:*** *corresponds to EBITDA as a percentage of sales, EBITDA equaling recurring operating income (REBIT) plus recurring depreciation and amortization of tangible and intangible assets*

***Operating cash flow:*** *corresponds to free cash flow before capex (intangible assets and property, plant and equipment additions)*

***Operating cash conversion rate:*** *corresponds to operating cash flow divided by EBITDA*

*This document contains forward looking information, which describe expectations, strategies, future events or intentions. Forecasts and financial objectives are defined in normalized macroeconomic and market conditions, among other EUR/USD exchange rate of 1.1, GDP of 3% and oil price at US\$80/bbl. The achievement of these forecasts and financial objectives is therefore subject to uncertainties regarding these economic factors, as well as regarding changing market conditions, competitive landscape, regulatory evolutions, and other unplanned events. As a consequence, results may differ from those expressed or implied in this document.*

On 29 February 2024, the Issuer published the following press release:

## ARKEMA: FULL-YEAR 2023 RESULTS

**The Group delivered a solid financial performance in 2023 in a demanding macroeconomic environment, with €1.5 billion in EBITDA, in line with its full-year guidance, and excellent cash generation. Arkema expects EBITDA to grow in 2024, mainly weighted to the second half of the year with the ramp-up of its major projects and a gradual improvement in market conditions.**

- **Group sales of €9.5 billion**, down 16.1% on 2022 at constant scope and currency:
  - Volumes down by 10.0%, reflecting the overall slowdown in demand and destocking, although volumes were slightly higher in the fourth quarter relative to last year
  - Positive dynamic in innovation-driven high performance solutions addressing sustainable megatrends
  - Negative price effect of 6.1% reflecting lower prices for certain raw materials and the progressive price normalization of PVDF and upstream acrylics, which had benefited from particularly favorable conditions in 2022
- **EBITDA at €1,501 million**, down compared with last year's very high comparison base (€2,110 million), and solid **EBITDA margin** in this context of low demand at **15.8%** (18.3% in 2022).

**Q4'23 EBITDA** up by 14% year-on-year to **€331 million** (€291 million in Q4'22), driven by the good performance of Adhesive Solutions and the resilience of the other segments
- **Adjusted net income of €653 million**, representing €8.75 per share (€15.75 in 2022)
- Excellent **recurring cash flow of €761 million**, reflecting the strict management of working capital and tight control of capital expenditure, and **net debt of €2,930 million** at end-December, representing 1.95x full-year EBITDA
- Proposed **dividend of €3.50 per share** (€3.40 in 2022), in line with the policy of a gradual increase, and corresponding to a payout ratio of 40%
- **Finalization** on 1 December 2023 of the acquisition of 54% of **PI Advanced Materials**, marking a key step in the strengthening of Arkema's very high performance polymers portfolio
- **Continued progress in CSR performance** with, in particular, reductions in greenhouse gas emissions of 7% for Scopes 1 and 2 and 9% for Scope 3 compared with 2022. Moreover, the share of women in senior management positions rose to 29% (26% in 2022)
- **Outlook for 2024:** the Group aims for EBITDA to grow in 2024 and reach between €1.5 billion and €1.7 billion. The start of the year should be in the continuity of the low demand of fourth-quarter 2023. EBITDA growth should be weighted mainly to the second half of the year with the ramp-up of the main growth projects from the second quarter onwards and the progressive improvement of market conditions.

Following Arkema's Board of Directors' meeting held on 28 February 2024 to approve the Group's consolidated financial statements for 2023, Chairman and CEO Thierry Le Hénaff said:

*“Arkema recorded a solid financial performance in 2023 in a particularly demanding macroeconomic context. I would like to thank our teams, who once again demonstrated their agility and unwavering commitment, enabling Arkema to deliver some important achievements in 2023, notably in terms of cash generation, CSR performance and the strengthening of the Group's profile in Specialty Materials.*”

*As 2024 has started in the continuity of the previous quarter, in a context of ongoing weak demand, we will continue to manage our operations tightly. We will benefit from the growing contribution, from spring onwards, of several major industrial projects in Asia and the United States, as well as from the integration of PI Advanced Materials' activities.*

*In addition to managing the short-term, our teams are fully mobilized on our 2028 objectives which we unveiled at the Capital Markets Day last September.”*

## KEY FIGURES FOR 2023

<i>In millions of euros</i>	<b>2023</b>	<b>2022</b>	<b>Change</b>
<b>Sales</b>	<b>9,514</b>	<b>11,550</b>	<b>-17.6%</b>
<b>EBITDA</b>	<b>1,501</b>	<b>2,110</b>	<b>-28.9%</b>
Specialty Materials	1,373	1,900	-27.7%
Intermediates	213	306	-30.4%
Corporate	-85	-96	
<b>EBITDA margin</b>	<b>15.8%</b>	<b>18.3%</b>	
Specialty Materials	15.8%	18.1%	
Intermediates	26.7%	30.0%	
<b>Recurring operating income (REBIT)</b>	<b>939</b>	<b>1,560</b>	<b>-39.8%</b>
REBIT margin	9.9%	13.5%	
<b>Adjusted net income</b>	<b>653</b>	<b>1,167</b>	<b>-44.0%</b>
Adjusted net income per share (in €)	8.75	15.75	-44.4%
<b>Recurring cash flow</b>	<b>761</b>	<b>933</b>	<b>-18.4%</b>
<b>Free cash flow</b>	<b>625</b>	<b>784</b>	<b>-20.3%</b>
<b>Net debt</b> including hybrids bonds	<b>2,930</b>	<b>2,366</b>	

## 2023 BUSINESS PERFORMANCE

Group sales came in at **€9,514 million** in 2023, down 17.6% on the previous year in a more challenging macroeconomic context, marked by lower underlying demand and destocking, first in Europe and then spreading to other regions of the world. The decline in volumes came in at 10% overall, affecting most of the Group's important end markets like construction, industry and consumer goods. Some markets such as automotive and energy resisted much better, and the dynamic remained positive in high performance solutions addressing sustainable megatrends, particularly in new energies, bio-based and recycled products, as well as in the areas of energy efficiency and lightweighting. The negative 6.1% price effect reflects the decline of certain raw materials and the normalization of PVDF and upstream acrylics relative to the particularly favorable conditions of 2022. Moreover, Arkema benefited from the repositioning of its portfolio towards higher value-added solutions. The scope effect was small, standing at a positive 0.7%, and included mainly two months' additional contribution from Ashland's adhesives business and three small acquisitions, partially offset by the divestment of Febex at the beginning of the year. The currency effect was a negative 2.2%, mainly as a result of the depreciation of the US dollar and Chinese yuan against the euro.

The share of Specialty Materials within total sales grew slightly and represented 92% of the Group's sales in 2023. Moreover, the geographic sales split saw the share of North America increase (37% of the Group's sales in 2023 *versus* 35% in 2022), Asia and the rest of the world decline to 29% *versus* 32% in 2022, and Europe remain steady (34% of sales in 2023 *versus* 33% in 2022).

At **€1,501 million** (€2,110 million in 2022), **EBITDA** held up well in view of the economic context, while reflecting the absence of the exceptional contribution in the prior year of around €400 million from PVDF and upstream acrylics. The dynamics were mixed between the various product lines, with Adhesive Solutions and Performance Additives reporting good growth in the second half of the year, driven by the product mix, dynamic management of sales prices and continued operational excellence actions.

In this less buoyant context than in the prior year, Arkema's **EBITDA margin** came in at a good level at **15.8%** (18.3% in 2022), reflecting notably the quality of the product mix in higher value-added solutions and appropriate management of pricing in a more normalized raw materials context.

At €562 million, recurring depreciation and amortization rose marginally year-on-year (€550 million in 2022). **Recurring operating income** (REBIT) therefore amounted to **€939 million** (€1,560 million in 2022) and **REBIT margin** came in at **9.9%** (13.5% in 2022).

The **financial result** represented a net expense of **€70 million** (€61 million in 2022), up by €9 million relative to 2022, reflecting mainly the impact of the bond issues carried out in 2023.

Excluding exceptional items, the tax rate amounted to 21% of recurring operating income in 2023.

**Adjusted net income** thus amounted to **€653 million**, representing **€8.75 per share** (€15.75 per share in 2022).

The Board of Directors decided that it would recommend, at the annual general meeting of 15 May 2024, a 3% increase in the dividend at **€3.50 per share** for 2023, in line with the policy of a gradual increase and representing a payout ratio of 40%. The dividend will be paid entirely in cash as from 21 May 2024, with an ex-dividend date on 17 May 2024.

## CASH FLOW AND NET DEBT AT 31 DECEMBER 2023

**Recurring cash flow** reached the high level of **€761 million** (€933 million in 2022). It includes a €170 million cash inflow linked to working capital, which reflects the price effect and strict management of inventories. Excluding PI Advanced Materials, working capital thus represented 13.1% of the Group's annual sales at 31 December 2023 (12.6% at 31 December 2022). Recurring capital expenditure amounted to €608 million (€584 million in 2022) and represented 6.4% of Group sales in 2023. Calculated based on recurring cash flow, the EBITDA to cash conversion rate was 50.7%, exceeding the target of 40%.

**Free cash flow** totaled **€625 million** in the year (€784 million in 2022) and included residual exceptional capital expenditure of €26 million (€123 million in 2022) related to the bio-based polyamides project in Singapore and the hydrofluoric acid supply project with Nutrien in the United States. Thus, for full-year 2023, recurring and exceptional capital expenditure reached €634 million.

Free cash flow also included a non-recurring outflow of €110 million in 2023, mainly corresponding to start-up costs for the Singapore platform and restructuring costs in order to adapt the cost structure to the economic context.

**Net cash flow from portfolio management operations** primarily reflected the acquisition of a 54% majority stake in PI Advanced Materials and amounted to a **net outflow of €708 million** in 2023.

**Net debt** including hybrid bonds stood at **€2,930 million** at end-2023, including the payment of a €3.40 dividend per share for 2022 for a total payout of €253 million, the €32 million cost of share buybacks carried

out by the Group, and €16 million in interest paid on hybrid bonds. This net debt figure represents 1.95x last-twelve-months EBITDA.

## CONTINUOUS PROGRESS IN CSR PERFORMANCE

The Group continued to implement its CSR actions in 2023 to support the sustainable and responsible growth of its activities and by offering its customers solutions that contribute to their sustainable performance.

Arkema thus reduced its Scope 1 and 2 greenhouse gas emissions by 7% in 2023 compared with 2022 (-39% vs 2019) and by 9% for Scope 3 (-53% vs 2019). These results reflect the ongoing proactive initiatives taken by Arkema as part of the roll-out of its climate plan, accentuated by the temporary decrease in production volumes, in line with its 1.5°C trajectory by 2030 validated by the SBTi. In addition, on 26 February 2024, Arkema announced that it had signed long-term renewable energy supply contracts in the United States for the Calvert City, Beaumont, Chatham and West Chester sites, as well as for all Bostik sites, allowing it, with existing contracts for the Clear Lake and Bayport sites, to cover 40% of the electricity needs for the Group's operations in the United States by the end of 2024.

Moreover, in order to encourage eco-design and develop the circular economy, the Group increased the proportion of its sales covered by a life-cycle assessment to 56% of Group sales in 2023 (41% in 2022), in line with its long-term target of 90%.

The Group also maintained its high safety standards, with an accident rate per million hours worked stable at 0.9, among the leaders of the industry, and the process safety event rate per million hours worked also stable at 2.8.

Lastly, as a certified Top Employer 2024 in ten countries and a holder of the Top Employer Europe certification, Arkema continued to promote inclusion and diversity, as illustrated notably by the percentage of women in senior management and executive positions reaching 29% at end-2023.

On the strength of the Group's results and long-term commitments, its CDP climate change score was raised to A-. Its Sustainalytics score was also increased and the Group now ranks among the best in its sector. In addition, Arkema was once again included in S&P's Global Sustainability Yearbook.

## 2023 PERFORMANCE BY SEGMENT

### ADHESIVE SOLUTIONS (29% OF TOTAL GROUP SALES)

<i>In millions of euros</i>	<b>2023</b>	<b>2022</b>	<b>Change</b>
<b>Sales</b>	<b>2,714</b>	<b>2,898</b>	<b>-6.3%</b>
<b>EBITDA</b>	<b>380</b>	<b>366</b>	<b>+3.8%</b>
<b>EBITDA margin</b>	<b>14.0%</b>	<b>12.6%</b>	
<b>Recurring operating income (REBIT)</b>	<b>293</b>	<b>288</b>	<b>+1.7%</b>
REBIT margin	10.8%	9.9%	

**Sales** in the Adhesive Solutions segment fell by 6.3% compared with 2022 to **€2,714 million**. This figure reflects mainly a 7.5% reduction in volumes linked to weak demand, as well as to destocking in the construction sector and certain industrial markets, which nevertheless subsided in the second half of the year. Sales also included a negative 2.8% currency effect. The price effect was slightly positive over the year, amounting to 0.9% and reflected on the one hand, during the first part of the year, the increased sales prices implemented in 2022 in response to cost inflation, and on the other hand, a negative price effect in the second half linked to the



normalization of certain raw materials. The 3.1% positive scope effect corresponds to the integration of Polytec PT and Permoseal, as well as to the additional contribution from Ashland's adhesives business in the first two months of the year.

Recording robust growth of 16% in the second half of the year, **EBITDA** grew 3.8% in 2023 compared with 2022 and reached **€380 million**. This higher year-on-year performance despite lower volumes reflects the dynamic management of sales prices in an evolving environment of raw materials, as well as operational excellence and cost control actions. It also incorporates the contribution of acquisitions. **EBITDA margin** improved significantly by 140 bps to **14.0%**, also benefiting from the evolution in the product mix towards higher value-added applications.

#### ADVANCED MATERIALS (38% OF TOTAL GROUP SALES)

<i>In millions of euros</i>	2023	2022	Change
<b>Sales</b>	<b>3,562</b>	<b>4,341</b>	<b>-17.9%</b>
<b>EBITDA</b>	<b>666</b>	<b>941</b>	<b>-29.2%</b>
<b>EBITDA margin</b>	<b>18.7%</b>	<b>21.7%</b>	
<b>Recurring operating income (REBIT)</b>	<b>366</b>	<b>663</b>	<b>-44.8%</b>
REBIT margin	10.3%	15.3%	

At **€3,562 million**, sales of the Advanced Materials segment were down 17.9% year-on-year. Reflecting lower demand, volumes declined by 8.0%, also impacted by destocking, mostly in the first half for High Performance Polymers, and throughout the whole year for Performance Additives, mainly in Europe. The business areas linked to sustainable megatrends grew, notably new energies and bio-based and recycled products, and the automotive and energy markets remained well oriented. In the second half of the year, High Performance Polymers volumes were up relative to the prior year, supported in particular by higher demand in batteries in China. The price effect was a negative 7.2%, essentially reflecting the normalization of PVDF in batteries following the significant tightness observed in the prior year. For the segment's other activities, the price effect was broadly positive, demonstrating the strength of their positioning and an improved product mix towards higher value-added solutions. The scope effect was a negative 0.6%, corresponding to the divestment of Febex, and the currency effect was a negative 2.1%.

In this context, **EBITDA** of **€666 million** was down 29.2% relative to the prior year's particularly high comparison base. Driven by significant growth in the second half, EBITDA for Performance Additives was up year-on-year despite lower volumes, supported by growth in high value-added applications in areas linked to sustainable megatrends, in particular new energies. The segment's **EBITDA margin** thus came to **18.7% versus 21.7%** in 2022.

#### COATING SOLUTIONS (25% OF TOTAL GROUP SALES)

<i>In millions of euros</i>	2023	2022	Change
<b>Sales</b>	<b>2,402</b>	<b>3,250</b>	<b>-26.1%</b>
<b>EBITDA</b>	<b>327</b>	<b>593</b>	<b>-44.9%</b>
<b>EBITDA margin</b>	<b>13.6%</b>	<b>18.2%</b>	
<b>Recurring operating income (REBIT)</b>	<b>201</b>	<b>466</b>	<b>-56.9%</b>
REBIT margin	8.4%	14.3%	

**Sales** of the Coating Solutions segment fell sharply by 26.1% year-on-year and amounted to **€2,402 million**, around 30% of which were in acrylic monomers. Volumes in this segment were down 12.4% overall, reflecting subdued demand and destocking in Europe and the United States in the decorative paints and industrial markets. The price effect of negative 13.1% reflects mainly the progressive normalization of market conditions in upstream acrylics after an exceptional 2022, as well as the pass-through of certain lower raw materials prices in downstream product lines. The scope effect of positive 0.7% is linked to the integration of Polimeros Especiales, and the currency effect was limited at a negative 1.3%.

In this context, **EBITDA** declined 44.9% on 2022 to **€327 million**. Downstream activities nevertheless held up better than upstream acrylics, driven by the benefits of an improved product mix towards higher value-added solutions and by dynamic price management. In this context of low volumes, **EBITDA margin** held up relatively well at **13.6%** (18.2% in 2022).

#### INTERMEDIATES (8% OF TOTAL GROUP SALES)

<i>In millions of euros</i>	2023	2022	Change
<b>Sales</b>	<b>797</b>	<b>1,020</b>	<b>-21.9%</b>
<b>EBITDA</b>	<b>213</b>	<b>306</b>	<b>-30.4%</b>
<b>EBITDA margin</b>	<b>26.7%</b>	<b>30.0%</b>	
<b>Recurring operating income (REBIT)</b>	<b>170</b>	<b>245</b>	<b>-30.6%</b>
REBIT margin	21.3%	24.0%	

At **€797 million**, sales in the Intermediates segment fell by 21.9% year-on-year, impacted by an 18.7% drop in volumes linked notably to low demand for acrylics in Asia. The price effect was a positive 0.1%, reflecting good momentum for refrigerant gases in Europe and the United States, which offset less favorable market conditions for acrylics in Asia. The currency effect was a negative 3.3%.

In this context, **EBITDA** declined by 30.4% to **€213 million** and **EBITDA margin** remained at a high level of **26.7%** (30.0% in 2022).

#### KEY FIGURES FOR FOURTH-QUARTER 2023

<i>In millions of euros</i>	Q4'23	Q4'22	Change
<b>Sales</b>	<b>2,222</b>	<b>2,507</b>	<b>-11.4%</b>
<b>EBITDA</b>	<b>331</b>	<b>291</b>	<b>+13.7%</b>
<b>Specialty Materials</b>	<b>312</b>	<b>286</b>	<b>+9.1%</b>
Adhesive Solutions	94	75	+25.3%
Advanced Materials	149	148	+0.7%
Coating Solutions	69	63	+9.5%
<b>Intermediates</b>	<b>40</b>	<b>24</b>	<b>+66.7%</b>
<b>Corporate</b>	<b>-21</b>	<b>-19</b>	
<b>EBITDA margin</b>	<b>14.9%</b>	<b>11.6%</b>	
<b>Specialty Materials</b>	<b>15.2%</b>	<b>12.3%</b>	
Adhesive Solutions	14.6%	10.8%	

<i>In millions of euros</i>	<b>Q4'23</b>	<b>Q4'22</b>	<b>Change</b>
Advanced Materials	17.4%	14.5%	
Coating Solutions	12.5%	10.4%	
<b>Intermediates</b>	<b>24.8%</b>	<b>13.3%</b>	
<b>Recurring operating income (REBIT)</b>	<b>174</b>	<b>146</b>	<b>+19.2%</b>
REBIT margin	7.8%	5.8%	
<b>Adjusted net income</b>	<b>107</b>	<b>88</b>	<b>+21.6%</b>
Adjusted net income per share (in €)	1.43	1.16	+23.3%
<b>Recurring cash flow</b>	<b>325</b>	<b>238</b>	<b>+36.6%</b>
<b>Free cash flow</b>	<b>283</b>	<b>199</b>	<b>+42.2%</b>

Group sales declined 11.4% year-on-year to **€2,222 million**, impacted by a negative 10.5% price effect which reflected mainly a raw materials environment that was less tight. Volumes were up 2.0%, driven mainly by an improvement in Coating Solutions relative to the low comparison base of fourth-quarter 2022, and by the good performance of High Performance Polymers in Asia. The scope effect of positive 0.3% reflects the integration of Polytec PT in Adhesive Solutions and PI Advanced Materials in Advanced Materials in December, partially offset by the divestment of Febex. The currency effect of negative 3.2% was linked mainly to the appreciation of the euro against the US dollar.

At **€331 million**, **EBITDA** was 13.7% higher relative to fourth-quarter 2022, driven by the growth of Adhesive Solutions, the resilience of the other Specialty Materials segments and the good performance of refrigerant gases. **EBITDA margin** improved by 330 bps to **14.9%**.

**Sales** of the Adhesive Solutions segment totaled **€642 million**, down 7.2% compared with fourth-quarter 2022, impacted notably by a 3.2% negative currency effect. The negative 3.2% price effect reflects essentially the evolution of certain raw materials. Volumes were down slightly by 1.3%, reflecting ongoing soft demand and some residual destocking in Europe and the United States. The scope effect was a positive 0.5%, corresponding to the integration of Polytec PT.

At **€94 million**, the segment's **EBITDA** was up by a sharp 25.3% compared with fourth-quarter 2022, driven by the product mix, dynamic price management and ongoing operational excellence actions. **EBITDA margin** thus improved significantly to **14.6%** (10.8% in Q4'22), reflecting Bostik's teams' thorough work.

**Sales** of the Advanced Materials segment came in at **€857 million**, down 16.1% compared with fourth-quarter 2022, impacted by a 15.9% negative price effect which takes into account the evolution of raw materials. Volumes rose 2.3%, driven in particular by High Performance Polymers in Asia. Performance Additives volumes were down slightly as a result of weak demand in Europe, overshadowing the good performance of the United States. The scope effect was a positive 0.5%, corresponding to the contribution of PI Advanced Materials in December, partly offset by the divestment of Febex. The currency effect was a negative 3.0%.

The segment's **EBITDA** was stable at **€149 million** (€148 million in Q4'22), and **EBITDA margin** improved by 290 bps to **17.4%**, benefiting also from a favorable product mix linked to stronger demand for higher value-added solutions.

At **€552 million**, **sales** for the Coating Solutions segment declined by 8.5% year-on-year, strongly impacted by a 17.3% negative price effect reflecting both less favorable market conditions in upstream acrylics and lower

raw materials in downstream activities. Volumes were up 11.8%, benefiting from improved activity levels in view of the prior year's low point. The currency effect was a negative 3.0%.

Driven notably by better volumes, **EBITDA** rose by 9.5% to **€69 million**, and **EBITDA margin** improved by 210 bps to **12.5%**.

At **€161 million**, sales of the Intermediates segment were 11.0% lower than in fourth-quarter 2022, impacted by a 21.0% drop in volumes which reflects lower demand for acrylics in Asia. The price effect of positive 14.4% reflected the solid momentum of refrigerant gases in Europe and the United States. The currency effect reduced the segment's sales by 4.4%.

**EBITDA** rose sharply to **€40 million** (€24 million in Q4'22), driven by the good contribution of refrigerant gases. **EBITDA margin** thus grew to **24.8%** from 13.3% in fourth-quarter 2022.

## **FOURTH-QUARTER 2023 HIGHLIGHTS**

On 1 December 2023, Arkema finalized the acquisition of Glenwood Private Equity's 54% stake in the listed South Korean company PI Advanced Materials (PIAM), for an enterprise value of €728 million. This acquisition completes Arkema's portfolio of high performance technologies for the fast-growing advanced electronics and electric mobility markets.

## **SUBSEQUENT EVENTS**

On 2 January 2024, Arkema finalized the acquisition of Irish manufacturer Arc Building Products, specialized in construction adhesives and sealants and which generates around €15 million in annual sales.

## **OUTLOOK FOR 2024**

In the first quarter, the macroeconomic context remains marked by a lack of visibility and soft demand in the continuity of fourth-quarter 2023. First-quarter EBITDA should thus be comparable to the fourth-quarter 2023 level and below the first-quarter 2023 level, which still benefited from favorable market conditions in PVDF and upstream acrylics, which progressively normalized during 2023.

Irrespective of a progressive rebound in demand, Arkema will benefit, starting in second-quarter 2024, from the ramp-up of several growth projects, which should contribute in the full year around €60 million to €70 million in terms of EBITDA. These projects include notably the hydrofluoric acid plant in partnership with Nutrien in the United States, the bio-based polyamide 11 unit in Singapore, the expansion of the Sartomer® plant in China and of the Pebax® plant in France, and the development of 1233zd fluorospecialties with low global warming potential. Arkema will also benefit from the contribution of the PIAM acquisition and from its associated growth synergies, in particular in the electronics and battery markets. Adhesive Solutions should achieve good growth in 2024, benefiting from the positive dynamic which started in second-half 2023.

Based on these factors, Arkema aims to achieve in 2024 a higher EBITDA, estimated at €1.5 billion to €1.7 billion depending on the level of recovery in demand, and with seasonality more weighted to the second half of the year.

Moreover, the Group will continue to implement its strategic roadmap unveiled at the Capital Markets Day of September 2023. It should notably confirm during the year its capital expenditure plan to support the growth of batteries for electric vehicles in the United States. It will continue to strengthen, in partnership with its customers, its innovation efforts in solutions for a less carbonized and more sustainable world, and pursue the implementation of its climate plan.

Further details concerning the Group's 2023 results are provided in the "Full-year 2023 results and highlights" presentation and the "Factsheet", both available on Arkema's website at: [www.arkema.com/global/en/investor-relations/](http://www.arkema.com/global/en/investor-relations/)

The consolidated financial statements at 31 December 2023 have been audited, and an unqualified certification report has been issued by the Company's statutory auditors. These financial statements and the statutory auditors' report are available on the Company's website at: [www.arkema.com/global/en/investor-relations/](http://www.arkema.com/global/en/investor-relations/)

## **FINANCIAL CALENDAR**

7 May 2024: Publication of first-quarter 2024 results

15 May 2024: Annual general meeting

1 August 2024: Publication of first-half 2024 results

6 November 2024: Publication of third-quarter 2024 results

## **DISCLAIMER**

*The information disclosed in this press release may contain forward-looking statements with respect to the financial position, results of operations, business and strategy of Arkema.*

*In a context of significant geopolitical tensions, where the outlook for the global economy remains uncertain, the retained assumptions and forward-looking statements could ultimately prove inaccurate.*

*Such statements are based on management's current views and assumptions that could ultimately prove inaccurate and are subject to risk factors such as (but not limited to) changes in raw materials prices, currency fluctuations, the pace at which cost-reduction projects are implemented, escalating geopolitical tensions, and changes in general economic and financial conditions. Arkema does not assume any liability to update such forward-looking statements whether as a result of any new information or any unexpected event or otherwise. Further information on factors which could affect Arkema's financial results is provided in the documents filed with the French Autorité des marchés financiers.*

*Balance sheet, income statement and cash flow statement data, as well as data relating to the statement of changes in shareholders' equity and information by segment included in this press release are extracted from the consolidated financial statements at 31 December 2023 as reviewed by Arkema's Board of Directors on 28 February 2024. Quarterly financial information is not audited.*

*Information by segment is presented in accordance with Arkema's internal reporting system used by management.*

*Details of the main alternative performance indicators used by the Group are provided in the tables appended to this press release. For the purpose of analyzing its results and defining its targets, the Group also uses EBITDA margin, which corresponds to EBITDA expressed as a percentage of sales, EBITDA equaling recurring operating income (REBIT) plus recurring depreciation and amortization of tangible and intangible assets, as well as REBIT margin, which corresponds to recurring operating income (REBIT) expressed as a percentage of sales.*

*For the purpose of tracking changes in its results, and particularly its sales figures, the Group analyzes the following effects (unaudited analyses):*

- **scope effect:** the impact of changes in the Group's scope of consolidation, which arise from acquisitions and divestments of entire businesses or as a result of the first-time consolidation or deconsolidation of entities. Increases or reductions in capacity are not included in the scope effect;
- **currency effect:** the mechanical impact of consolidating accounts denominated in currencies other than the euro at different exchange rates from one period to another. The currency effect is calculated by applying the foreign exchange rates of the prior period to the figures for the period under review;
- **price effect:** the impact of changes in average selling prices is estimated by comparing the weighted average net unit selling price of a range of related products in the period under review with their weighted average net unit selling price in the prior period, multiplied, in both cases, by the volumes sold in the period under review; and
- **volume effect:** the impact of changes in volumes is estimated by comparing the quantities delivered in the period under review with the quantities delivered in the prior period, multiplied, in both cases, by the weighted average net unit selling price in the prior period.

Building on its unique set of expertise in materials science, **Arkema** offers a portfolio of first-class technologies to address ever-growing demand for new and sustainable materials. With the ambition to become a pure player in Specialty Materials in 2024, the Group is structured into three complementary, resilient and highly innovative segments dedicated to Specialty Materials – Adhesive Solutions, Advanced Materials, and Coating Solutions – accounting for some 92% of Group sales in 2023, and a well-positioned and competitive Intermediates segment. Arkema offers cutting-edge technological solutions to meet the challenges of, among other things, new energies, access to water, recycling, urbanization and mobility, and fosters a permanent dialogue with all its stakeholders. The Group reported sales of around €9.5 billion in 2023, and operates in some 55 countries with 21,100 employees worldwide.

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## **ARKEMA financial statements**

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### **Consolidated financial information - At the end of December 2023**

Consolidated financial statements as end of December 2022 and 2023 have been audited.

**CONSOLIDATED INCOME STATEMENT**

**4<sup>th</sup> quarter 2023**

**4<sup>th</sup> quarter 2022**

*(In millions of euros)*

<b>Sales</b>	<b>2,222</b>	<b>2,507</b>
Operating expenses	(1,797)	(2,129)
Research and development expenses	(71)	(71)
Selling and administrative expenses	(213)	(219)
Other income and expenses	(59)	(70)
<b>Operating income</b>	<b>82</b>	<b>18</b>
Equity in income of affiliates	(2)	(2)
Financial result	(26)	(30)
Income taxes	(31)	23
<b>Net income</b>	<b>23</b>	<b>9</b>
Attributable to non-controlling interests	3	(2)
<b>Net income - Group share</b>	<b>20</b>	<b>11</b>
<i>Earnings per share (amount in euros)</i>	<i>0.27</i>	<i>0.13</i>
<i>Diluted earnings per share (amount in euros)</i>	<i>0.27</i>	<i>0.13</i>

**End of December 2023**

**End of December 2022**

*(In millions of euros)*

<b>Sales</b>	<b>9,514</b>	<b>11,550</b>
Operating expenses	(7,554)	(8,970)
Research and development expenses	(275)	(270)
Selling and administrative expenses	(874)	(868)
Other income and expenses	(130)	(155)
<b>Operating income</b>	<b>681</b>	<b>1,287</b>
Equity in income of affiliates	(9)	(6)
Financial result	(70)	(61)
<b>Résultat net des activités abandonnées</b>		
<b>Net income</b>	<b>425</b>	<b>966</b>
Attributable to non-controlling interests	7	1
<b>Dont résultat net - part du Groupe des activités abandonnées</b>		
<i>Earnings per share (amount in euros)</i>	<i>5.39</i>	<i>12.81</i>
<i>Diluted earnings per share (amount in euros)</i>	<i>5.36</i>	<i>12.75</i>



**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

<i>(In millions of euros)</i>	<u>4<sup>th</sup> quarter 2023</u>	<u>4<sup>th</sup> quarter 2022</u>
<b>Net income</b>	<b>23</b>	<b>9</b>
Hedging adjustments	6	7
Other items	0	1
Deferred taxes on hedging adjustments and other items	1	1
Change in translation adjustments	(155)	(459)
<b>Other recyclable comprehensive income</b>	<b>(148)</b>	<b>(450)</b>
Impact of remeasuring unconsolidated investments	—	—
Actuarial gains and losses	(41)	(79)
Deferred taxes on actuarial gains and losses	8	15
<b>Other non-recyclable comprehensive income</b>	<b>(33)</b>	<b>(64)</b>
<b>Total income and expenses recognized directly in equity</b>	<b>(181)</b>	<b>(514)</b>
<b>Total comprehensive income</b>	<b>(158)</b>	<b>(505)</b>
Attributable to non-controlling interest	(2)	(5)
<b>Total comprehensive income - Group share</b>	<b>(156)</b>	<b>(500)</b>
	<u>End of December 2023</u>	<u>End of December 2022</u>
<i>(In millions of euros)</i>		
<b>Net income</b>	<b>425</b>	<b>966</b>
Hedging adjustments	(45)	26
Other items	0	1
Deferred taxes on actuarial gains and losses	3	(2)
Change in translation adjustments	(189)	108
<b>Other recyclable comprehensive income</b>	<b>(231)</b>	<b>133</b>
Impact of remeasuring unconsolidated investments	—	(1)
Actuarial gains and losses	(22)	88
Deferred taxes on actuarial gains and losses	4	(14)
<b>Other non-recyclable comprehensive income</b>	<b>(18)</b>	<b>73</b>
<b>Total income and expenses recognized directly in equity</b>	<b>(249)</b>	<b>206</b>
<b>Total comprehensive income</b>	<b>176</b>	<b>1,172</b>
Attributable to non-controlling interest	0	—
<b>Total comprehensive income - Group share</b>	<b>176</b>	<b>1,172</b>

**INFORMATION BY SEGMENT**

**4<sup>th</sup> quarter 2023**

<i>(In millions of euros)</i>	<b>Adhesive Solutions</b>	<b>Advanced Materials</b>	<b>Coating Solutions</b>	<b>Intermediates</b>	<b>Corporate</b>	<b>Total</b>
<b>Sales</b>	<b>642</b>	<b>857</b>	<b>552</b>	<b>161</b>	<b>10</b>	<b>2,222</b>
<b>EBITDA</b>	<b>94</b>	<b>149</b>	<b>69</b>	<b>40</b>	<b>(21)</b>	<b>331</b>
Recurring depreciation and amortization of property, plant and equipment and intangible assets	(25)	(93)	(32)	(5)	(2)	(157)
<b>Recurring operating income (REBIT)</b>	<b>69</b>	<b>56</b>	<b>37</b>	<b>35</b>	<b>(23)</b>	<b>174</b>
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(25)	(6)	(2)	—	—	(33)
Other income and expenses	(10)	(44)	(2)	1	(4)	(59)
<b>Operating income</b>	<b>34</b>	<b>6</b>	<b>33</b>	<b>36</b>	<b>(27)</b>	<b>82</b>
Equity in income of affiliates	—	(3)	—	1	—	(2)
<b>Intangible assets and property, plant, and equipment additions</b>	<b>34</b>	<b>159</b>	<b>53</b>	<b>13</b>	<b>9</b>	<b>268</b>
Of which: recurring capital expenditure	34	150	53	13	9	259

**4<sup>th</sup> quarter 2022**

*(In millions of euros)*

	<b>Adhesive Solutions</b>	<b>Advanced Materials</b>	<b>Coating Solutions</b>	<b>Intermediates</b>	<b>Corporate</b>	<b>Total</b>
<b>Sales</b>	<b>692</b>	<b>1,022</b>	<b>603</b>	<b>181</b>	<b>9</b>	<b>2,507</b>
<b>EBITDA</b>	<b>75</b>	<b>148</b>	<b>63</b>	<b>24</b>	<b>(19)</b>	<b>291</b>
Recurring depreciation and amortization of property, plant and equipment and intangible assets	(21)	(74)	(32)	(16)	(2)	(145)
<b>Recurring operating income (REBIT)</b>	<b>54</b>	<b>74</b>	<b>31</b>	<b>8</b>	<b>(21)</b>	<b>146</b>
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(53)	(4)	(1)	—	—	(58)
Other income and expenses	(18)	(48)	(1)	0	(3)	(70)
<b>Operating income</b>	<b>(17)</b>	<b>22</b>	<b>29</b>	<b>8</b>	<b>(24)</b>	<b>18</b>
Equity in income of affiliates	—	(2)	—	—	—	(2)
<b>Intangible assets and property, plant, and equipment additions</b>	<b>37</b>	<b>202</b>	<b>59</b>	<b>11</b>	<b>9</b>	<b>318</b>
Of which: recurring capital expenditure	37	166	59	11	9	282

**INFORMATION BY SEGMENT**

**End of december 2023**

<i>(In millions of euros)</i>	<b>Adhesive Solutions</b>	<b>Advanced Materials</b>	<b>Coating Solutions</b>	<b>Intermediates</b>	<b>Corporate</b>	<b>Total</b>
<b>Sales</b>	<b>2,714</b>	<b>3,562</b>	<b>2,402</b>	<b>797</b>	<b>39</b>	<b>9,514</b>
<b>EBITDA</b>	<b>380</b>	<b>666</b>	<b>327</b>	<b>213</b>	<b>(85)</b>	<b>1,501</b>
Recurring depreciation and amortization of property, plant and equipment and intangible assets	(87)	(300)	(126)	(43)	(6)	(562)
<b>Recurring operating income (REBIT)</b>	<b>293</b>	<b>366</b>	<b>201</b>	<b>170</b>	<b>(91)</b>	<b>939</b>
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(102)	(19)	(7)	—	—	(128)
Other income and expenses	(32)	(81)	(3)	—	(14)	(130)
<b>Operating income</b>	<b>159</b>	<b>266</b>	<b>191</b>	<b>170</b>	<b>(105)</b>	<b>681</b>
Equity in income of affiliates	—	(10)	—	1	—	(9)
<b>Intangible assets and property, plant, and equipment additions</b>	<b>82</b>	<b>389</b>	<b>115</b>	<b>28</b>	<b>20</b>	<b>634</b>
Of which: recurring capital expenditure	82	363	115	28	20	608

**End of december 2022**

<i>(In millions of euros)</i>	<b>Adhesive Solutions</b>	<b>Advanced Materials</b>	<b>Coating Solutions</b>	<b>Intermediates</b>	<b>Corporate</b>	<b>Total</b>
<b>Sales</b>	<b>2,898</b>	<b>4,341</b>	<b>3,250</b>	<b>1,020</b>	<b>41</b>	<b>11,550</b>
<b>EBITDA</b>	<b>366</b>	<b>941</b>	<b>593</b>	<b>306</b>	<b>(96)</b>	<b>2,110</b>
Recurring depreciation and amortization of property, plant and equipment and intangible assets	(78)	(278)	(127)	(61)	(6)	(550)
<b>Recurring operating income (REBIT)</b>	<b>288</b>	<b>663</b>	<b>466</b>	<b>245</b>	<b>(102)</b>	<b>1,560</b>
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(95)	(18)	(5)	—	—	(118)
Other income and expenses	(63)	(79)	—	23	(36)	(155)
<b>Operating income</b>	<b>130</b>	<b>566</b>	<b>461</b>	<b>268</b>	<b>(138)</b>	<b>1,287</b>
Equity in income of affiliates	—	(6)	—	—	—	(6)
<b>Intangible assets and property, plant, and equipment additions</b>	<b>85</b>	<b>456</b>	<b>127</b>	<b>20</b>	<b>19</b>	<b>707</b>
Of which: recurring capital expenditure	85	333	127	20	19	584

## CONSOLIDATED CASH FLOW STATEMENT

End of december 2023

End of december 2022

*(In millions of euros)*

### Operating cash flows

Net income	425	966
Depreciation, amortization and impairment of assets	718	707
Other provisions and deferred taxes	(30)	(45)
(Gains)/losses on sales of long-term assets	(34)	(38)
Undistributed affiliate equity earnings	10	6
Change in working capital	158	(137)
Other changes	25	37
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<b>Cash flow from operating activities</b>	<b>1,272</b>	<b>1,496</b>

### Investing cash flows

Intangible assets and property, plant, and equipment additions	(634)	(707)
Change in fixed asset payables	(44)	(23)
Acquisitions of operations, net of cash acquired	(714)	(1,616)
Increase in long-term loans	(71)	(93)
 <b>Total expenditures</b>	 <b>(1,463)</b>	 <b>(2,439)</b>
 Proceeds from sale of intangible assets and property, plant and equipment	 14	 18
Change in fixed asset receivables	(1)	—
Proceeds from sale of operations, net of cash transferred	32	19
Repayment of long-term loans	63	61
 <b>Total divestitures</b>	 <b>108</b>	 <b>98</b>
<hr/>		
<b>Cash flow from investing activities</b>	<b>(1,355)</b>	<b>(2,341)</b>

**Financing cash flows**

Issuance (repayment) of shares and paid-in surplus	—	48
Purchase of treasury shares	(32)	(22)
Dividends paid to parent company shareholders	(253)	(222)
Interest paid to bearers of subordinated perpetual notes	(16)	(16)
Dividends paid to non-controlling interests and buyout of minority interests	(3)	(4)
Increase in long-term debt	1,096	6
Decrease in long-term debt	(85)	(233)
Increase / (Decrease) in short-term debt	(191)	611
<b>Cash flow from financing activities</b>	<b>516</b>	<b>168</b>
Net increase/(decrease) in cash and cash equivalents	433	(677)
Effect of exchange rates and changes in scope	20	(16)
Cash and cash equivalents at beginning of period	1,592	2,285
<b>Cash and cash equivalents at end of the period</b>	<b>2,045</b>	<b>1,592</b>

## CONSOLIDATED BALANCE SHEET

31 december 2023

31 december 2022

*(In millions of euros)*

### ASSETS

Goodwill	3,040	2,655
Other intangible assets, net	2,416	2,178
Property, plant and equipment, net	3,730	3,429
Equity affiliates: investments and loans	13	24
Other investments	52	52
Deferred tax assets	157	166
Other non-current assets	251	245
<b>TOTAL NON-CURRENT ASSETS</b>	<b>9,659</b>	<b>8,749</b>
<hr/>		
Inventories	1,208	1,399
Accounts receivable	1,261	1,360
Other receivables and prepaid expenses	170	202
Income tax receivables	142	130
Other current financial assets	32	57
Cash and cash equivalents	2,045	1,592
Assets held for sale	—	22
<b>TOTAL CURRENT ASSETS</b>	<b>4,848</b>	<b>4,762</b>
<hr/>		
<b>TOTAL ASSETS</b>	<b>14,517</b>	<b>13,511</b>



**LIABILITIES AND  
SHAREHOLDERS' EQUITY**

Share capital	750	750
Paid-in surplus and retained earnings	6,304	6,218
Treasury shares	(21)	(20)
Translation adjustments	170	352
<b>SHAREHOLDERS' EQUITY - GROUP SHARE</b>	<b>7,203</b>	<b>7,300</b>
<hr/>		
Non-controlling interests	252	39
<hr/>		
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>7,455</b>	<b>7,339</b>
<hr/>		
Deferred tax liabilities	436	362
Provisions for pensions and other employee benefits	397	382
Other provisions and non-current liabilities	416	458
Non-current debt	3,734	2,560
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>4,983</b>	<b>3,762</b>
<hr/>		
Accounts payable	1,036	1,149
Other creditors and accrued liabilities	392	437
Income tax payables	83	109
Other current financial liabilities	27	13
Current debt	541	698
Liabilities related to assets held for sale	—	4
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,079</b>	<b>2,410</b>
<hr/>		
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>14,517</b>	<b>13,511</b>

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

	Shares issued		Paid-in surplus	Hybrid bonds	Retained earnings	Translation adjustments	Treasury shares		Shareholders' equity - Group share	Non-controlling interests *	Shareholders' equity
	Number	Amount					Number	Amount			
<i>(In millions of euros)</i>											
<b>At 1<sup>st</sup> January 2023</b>	<b>75,043,514</b>	<b>750</b>	<b>1,067</b>	<b>700</b>	<b>4,451</b>	<b>352</b>	<b>(231,087)</b>	<b>(20)</b>	<b>7,300</b>	<b>39</b>	<b>7,339</b>
Cash dividend	—	—	—	—	(269)	—	—	—	(269)	(3)	(272)
Issuance of share capital	—	—	—	—	—	—	—	—	—	—	—
Capital decrease by cancellation of treasury shares	—	—	—	—	—	—	—	—	—	—	—
Purchase of treasury shares	—	—	—	—	—	—	(357,726)	(32)	(32)	—	(32)
Grants of treasury shares to employees	—	—	—	—	(31)	—	359,912	31	0	—	0
Share-based payments	—	—	—	—	25	—	—	—	25	—	25
Issuance of hybrid bonds	—	—	—	—	—	—	—	—	—	—	—
Redemption of hybrid bonds	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	3	—	—	—	3	216	219
<b>Transactions with shareholders</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(272)</b>	<b>—</b>	<b>2,186</b>	<b>(1)</b>	<b>(273)</b>	<b>213</b>	<b>(60)</b>
Net income	—	—	—	—	418	—	—	—	418	7	425
Total income and expense recognized directly through equity	—	—	—	—	(60)	(182)	—	—	(242)	(7)	(249)
<b>Comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>358</b>	<b>(182)</b>	<b>—</b>	<b>—</b>	<b>176</b>	<b>0</b>	<b>176</b>
<b>At 31 december 2023</b>	<b>75,043,514</b>	<b>750</b>	<b>1,067</b>	<b>700</b>	<b>4,537</b>	<b>170</b>	<b>(228,901)</b>	<b>(21)</b>	<b>7,203</b>	<b>252</b>	<b>7,455</b>

\* The "Other" line corresponds to the share of the PI Advanced Materials acquisition

### ALTERNATIVE PERFORMANCE INDICATORS

To monitor and analyse the financial performance of the Group and its activities, the Group management uses alternative performance indicators.

These are financial indicators that are not defined by the IFRS.

This note presents a reconciliation of these indicators and the aggregates from the consolidated financial statements under IFRS.

### RECURRING OPERATING INCOME (REBIT) AND EBITDA

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>	<u>4<sup>th</sup> quarter 2023</u>	<u>4<sup>th</sup> quarter 2022</u>
<b>OPERATING INCOME</b>	<b>681</b>	<b>1,287</b>	<b>82</b>	<b>18</b>
- Depreciation and amortization related to the revaluation of tangible and intangible assets as part of the allocation of the purchase price of businesses	(128)	(118)	(33)	(58)
- Other income and expenses	(130)	(155)	(59)	(70)
<b>RECURRING OPERATING INCOME (REBIT)</b>	<b>939</b>	<b>1,560</b>	<b>174</b>	<b>146</b>
- Recurring depreciation and amortization of tangible and intangible assets	(562)	(550)	(157)	(145)
<b>EBITDA</b>	<b>1,501</b>	<b>2,110</b>	<b>331</b>	<b>291</b>

#### Details of depreciation and amortization of tangible and intangible assets:

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>	<u>4<sup>th</sup> quarter 2023</u>	<u>4<sup>th</sup> quarter 2022</u>
<b>Depreciation and amortization of tangible and intangible assets</b>	<b>(718)</b>	<b>(707)</b>	<b>(206)</b>	<b>(215)</b>
Of which: Recurring depreciation and amortization of tangible and intangible assets	(562)	(550)	(157)	(145)
Of which: Depreciation and amortization related to the revaluation of assets as part of the allocation of the purchase price of businesses	(128)	(118)	(33)	(58)
Of which: Impairment included in other income and expenses	(28)	(39)	(16)	(12)

**ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE**

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>	<u>4<sup>th</sup> quarter 2023</u>	<u>4<sup>th</sup> quarter 2022</u>
<b>NET INCOME - GROUP SHARE</b>	<b>418</b>	<b>965</b>	<b>20</b>	<b>11</b>
- Depreciation and amortization related to the revaluation of tangible and intangible assets as part of the allocation of the purchase price of businesses	(128)	(118)	(33)	(58)
- Other income and expenses	(130)	(155)	(59)	(70)
- Other income and expenses - Non-controlling interests	—	—	—	—
- Taxes on depreciation and amortization related to the revaluation of assets as part of the allocation of the purchase price of businesses	30	25	7	13
- Taxes on other income and expenses	14	27	0	22
- One-time tax effects	(21)	19	(2)	16
<b>ADJUSTED NET INCOME</b>	<b>653</b>	<b>1,167</b>	<b>107</b>	<b>88</b>
Weighted average number of ordinary shares	74,647,205	74,095,040		
Weighted average number of potential ordinary shares	75,043,514	74,420,933		
<b>ADJUSTED EARNINGS PER SHARE (in euros)</b>	<b>8.75</b>	<b>15.75</b>	<b>1.43</b>	<b>1.16</b>
<b>DILUTED ADJUSTED EARNINGS PER SHARE (in euros)</b>	<b>8.70</b>	<b>15.68</b>	<b>1.42</b>	<b>1.16</b>

## RECURRING CAPITAL EXPENDITURE

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>	<u>4<sup>th</sup> quarter 2023</u>	<u>4<sup>th</sup> quarter 2022</u>
<b>INTANGIBLE ASSETS AND PROPERTY, PLANT, AND EQUIPMENT ADDITIONS</b>	<b>634</b>	<b>707</b>	<b>268</b>	<b>318</b>
- Exceptional capital expenditure	26	123	9	36
- Investments relating to portfolio management operations	—	—	—	—
- Capital expenditure with no impact on net debt	—	—	0	0
<b>RECURRING CAPITAL EXPENDITURE</b>	<b>608</b>	<b>584</b>	<b>259</b>	<b>282</b>

## CASH FLOWS AND EBITDA TO CASH CONVERSION RATE

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>	<u>4<sup>th</sup> quarter 2023</u>	<u>4<sup>th</sup> quarter 2022</u>
Cash flow from operating activities	1,272	1,496	462	457
+ Cash flow from investing activities	(1,355)	(2,341)	(843)	(259)
<b>NET CASH FLOW</b>	<b>(83)</b>	<b>(845)</b>	<b>(381)</b>	<b>198</b>
- Net cash flow from portfolio management operations	(708)	(1,629)	(664)	(1)
<b>FREE CASH FLOW</b>	<b>625</b>	<b>784</b>	<b>283</b>	<b>199</b>
Exceptional capital expenditure	(26)	(123)	(9)	(36)
- Non-recurring cash flow	(110)	(26)	(33)	(3)
<b>RECURRING CASH FLOW</b>	<b>761</b>	<b>933</b>	<b>325</b>	<b>238</b>

The net cash flow from portfolio management operations corresponds to the impact of acquisition and divestment operations.

Non-recurring cash flow corresponds to cash flow from other income and expenses.

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>
<b>RECURRING CASH FLOW</b>	<b>761</b>	<b>933</b>
EBITDA	1,501	2,110
<b>EBITDA TO CASH CONVERSION RATE</b>	<b>50.7%</b>	<b>44.2%</b>

## NET DEBT

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>
Non-current debt	3,734	2,560
+ Current debt	541	698
- Cash and cash equivalents	2,045	1,592
<b>NET DEBT</b>	<b>2,230</b>	<b>1,666</b>
+ Hybrid bonds	700	700
<b>NET DEBT AND HYBRID BONDS</b>	<b>2,930</b>	<b>2,366</b>

## WORKING CAPITAL

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>
Inventories	1,208	1,399
+ Accounts receivable	1,261	1,360
+ Other receivables including income taxes	312	332
+ Other current financial assets	32	57
- Accounts payable	1,036	1,149
- Other liabilities including income taxes	475	546
- Other current financial liabilities	27	13
<b>WORKING CAPITAL</b>	<b>1,275</b>	<b>1,440</b>

## CAPITAL EMPLOYED

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>
Goodwill, net	3,040	2,655
+ Intangible assets (excluding goodwill), and property, plant and equipment, net	6,146	5,607
+ Investments in equity affiliates	13	24
+ Other investments and other non-current assets	303	297
+ Working capital	1,275	1,440
<b>CAPITAL EMPLOYED</b>	<b>10,777</b>	<b>10,023</b>
Adjustment *	(1,038)	13
<b>ADJUSTED CAPITAL EMPLOYED</b>	<b>9,739</b>	<b>10,036</b>

\* In 2022, elements of capital employed classified as assets held for sale (Febex).

In 2023, capital employed relating to PIAM, consolidated at the end of the year and with no material contribution to income for the year.

## RETURN ON CAPITAL EMPLOYED (ROCE)

<i>(In millions of euros)</i>	<u>End of december 2023</u>	<u>End of december 2022</u>
Recurring operating income (REBIT)	939	1,560
Adjusted capital employed	9,739	10,036
<b>ROCE</b>	<b>9.6 %</b>	<b>15.5 %</b>



## SUBSCRIPTION AND SALE

### Summary of Amended and Restated Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 8 March 2024 (as amended or supplemented from time to time, the “**Amended and Restated Dealer Agreement**”) between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Amended and Restated Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it unless otherwise agreed. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealers have agreed to indemnify Arkema against certain liabilities in connection with the offer and sale of the Notes. The Amended and Restated Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### Selling Restrictions

#### European Economic Area

Unless the Final Terms in respect to any Notes specify the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any 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 these provisions:

- (i) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“**MiFID II**”); or
  - (b) a customer within the meaning of Directive 2016/97/EU, as amended (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (c) not a qualified investor as defined in the Prospectus Regulation;

- (ii) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

## **France**

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has only offered or sold and will only offer or sell, directly or indirectly, any Notes in France to, and it has only distributed or caused to be distributed and will only distribute or cause to be distributed in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes to qualified investors as defined in Article 2(e) of the Prospectus Regulation.

## **United States**

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Materialised Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Amended and Restated Dealer Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 calendar days after completion of the distribution of such Tranche as determined, and certified to the Fiscal Agent by the relevant Dealer, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 calendar days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such Notes) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States is prohibited.

## **United Kingdom**

### ***Prohibition of Sales to UK Retail Investors***

Unless the Final Terms in respect of any Notes specify the “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 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 these provisions:

- (i) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
  - (b) 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 as it forms part of UK domestic law by virtue of the EUWA; or
  - (c) not a qualified investor as defined in Article 2 of the Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA; and
- (ii) 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specify “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 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 UK except that it may make an offer of such Notes to the public in the UK:

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

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

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA.

#### ***Other regulatory restrictions***

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (a) 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 (b) it has not offered or sold and will not offer or sell any 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 will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the 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 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 Notes in, from or otherwise involving the UK.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealers has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not, directly or indirectly, offered or sold and shall not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Act and other relevant laws, ministerial guidelines and regulations of Japan.

## **Hong Kong**

This Base Prospectus and the applicable Final Terms have not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong.

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to professional investors as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a prospectus as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## **People's Republic of China (PRC)**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, the offer of the Notes is not an offer of securities within the meaning of the securities laws of the PRC or other pertinent laws and regulations of the PRC and the Notes have not been offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the laws of the PRC.

Further, no PRC persons may directly or indirectly purchase any of the Notes or any beneficial interest therein without obtaining all necessary prior approvals or completing all necessary registrations or filings that are required from PRC regulators, whether statutorily or otherwise. Persons who come into possession of this document are required by the Dealer and each further Dealer appointed under the Programme to observe these restrictions.

## **Singapore**

If the Final Terms in respect of any Notes specify “Singapore Sales to Institutional Investors and Accredited Investors only” as “Applicable”, each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, 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 or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to the conditions specified in Section 275 of the SFA.

If the Final Terms in respect of any Notes specify “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the SFA. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

*Singapore SFA Product Classification: In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in*

*MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

## **General**

These selling restrictions may be modified or supplemented by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification or supplement will be set out in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and obtain any consent, approval or permission required for the purchase, offer or sale of Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale and neither the Issuer, nor any other Dealer shall have responsibility therefore.

## FORM OF FINAL TERMS

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The 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”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, 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 Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]<sup>1</sup>

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The 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 (“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 Regulation (EU) No 2017/565 as it forms part of UK 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 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA]. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]<sup>2</sup>

**MiFID II product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer[’s/s’] product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 19 of the Guidelines published by ESMA on 3 August 2023, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU, as amended (“**MiFID II**”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the 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 Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.

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<sup>1</sup> Delete legend if the offer of the Notes do not constitute “packaged” products, in which case, insert “Not Applicable” in paragraph 9(v) of Part B below. Include legend if the offer of the Notes may constitute “packaged” products and the Issuer intends to prohibit the Notes being offered, sold or otherwise made available to EEA retail investors. In this case insert “Applicable” in paragraph 9(v) of Part B below.

<sup>2</sup> Delete legend if the Notes do not constitute “packaged” products, in which case, insert “Not Applicable” in paragraph 9(vi) of Part B below. Include legend if the Notes may constitute “packaged” products and the Issuer intends to prohibit the Notes being offered, sold or otherwise made available to UK retail investors, insert “Applicable” in paragraph 9(vi) of Part B below.

**[UK MiFIR product governance / Professional investors and eligible counterparties only target market**  
– Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“COBS”), and professional clients, as defined in Regulation (EU) No 600/2014 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 Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*<sup>3</sup>] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’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 Notes (by either adopting or refining the manufacturer[’s/’] target market assessment) and determining appropriate distribution channels.]<sup>4</sup>

**[SINGAPORE SFA PRODUCT CLASSIFICATION** – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products]/[capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]<sup>5</sup>

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<sup>3</sup> 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 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]."

<sup>4</sup> The legend may not be necessary if the managers in relation to the Notes are not subject to UK MiFIR and therefore there are no UK MiFIR manufacturers. Depending on the location of the manufacturers, there may be situations where either the MiFID II product governance legend or the UK MiFIR product governance legend or where both are included.

<sup>5</sup> For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.



**Final Terms dated [●]**

[LOGO, if document is printed]

**Arkema**

**Legal Entity Identifier (LEI):** 9695000EHMS84KKP2785

Euro 5,000,000,000

Euro Medium Term Note Programme  
for the issue of Notes

**SERIES NO:** [●]

**TRANCHE NO:** [●]

**[Brief description, type and amount of Notes] (the “Notes”)  
issued by Arkema (the “Issuer”)**

**[Name(s) of Dealer(s)]**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 8 March 2024 which has received approval no. 24-064 from the *Autorité des marchés financiers* (the “AMF”) on 8 March 2024 [and the supplement(s) to it dated [●] which has received approval no. [●] from the AMF on [●]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of [Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”)] [the Prospectus Regulation]. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus [as so supplemented] in order to obtain full information on the Issuer and the offer of the Notes. The Base Prospectus [and the Supplement(s)] [is]/[are] available for viewing on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and of Arkema ([www.arkema.com](http://www.arkema.com)) and printed copies may be obtained from Arkema at 420, rue d’Estienne d’Orves, 92700 Colombes, France.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) which are the [2014][2016][2018][2020][2022][2023] EMTN Conditions which are incorporated by reference in the Base Prospectus dated 8 March 2024. This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”) and must be read in conjunction with the Base Prospectus dated 8 March 2024 which has received approval no. 24-064 from the *Autorité des marchés financiers* (the “AMF”) on 8 March 2024 [and the supplement(s) to it dated [●] which has received approval no. [●] from the AMF on [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the “**Base Prospectus**”) in order to obtain all relevant information, save in respect of the Conditions which are the [2014][2016][2018][2020][2022][2023] EMTN Conditions extracted from the Base Prospectus dated [19 December 2014][25 November 2016][12 December 2018][28 January 2020][6 May 2022][26 April 2023]. Full information on the Issuer, the Notes and the offer of the Notes is only available on the basis of the combination of these Final Terms[, the [2014][2016][2018][2020][2022][2023] EMTN Conditions] and the Base Prospectus [and the supplement[s]]. The Base Prospectus [and the Supplement[s]] [is] [are] available for viewing on the website of the AMF

([www.amf-france.org](http://www.amf-france.org)) and of Arkema ([www.arkema.com](http://www.arkema.com)) and printed copies may be obtained from Arkema at 420, rue d'Estienne d'Orves, 92700 Colombes, France.]

*[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]*

- |           |  |  |
|-----------|--|--|
| <b>1</b>  | Issuer:  | Arkema   |
| <b>2</b>  | (i) Series Number:                             | [●]  |
|           | (ii) Tranche Number:                           | [●]  |
|           | (iii) Date on which the Notes become fungible: | [Not Applicable/ The Notes will be assimilated ( <i>assimilées</i> ) and form a single series with the existing [ <i>insert description of the Series</i> ] issued by the Issuer on [ <i>insert date</i> ] (the " <b>Existing Notes</b> ") as from the date of assimilation which is expected to be on or about 40 calendar days after the Issue Date (the " <b>Assimilation Date</b> ").] |
| <b>3</b>  | Specified Currency:                            | [●]  |
| <b>4</b>  | Aggregate Nominal Amount:                      | [●]  |
|           | (i) [Series:                                   | [●]]   |
|           | (ii) [Tranche:                                 | [●]]   |
| <b>5</b>  | Issue Price:                                   | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ <i>insert date</i> ] ( <i>in the case of fungible issues only if applicable</i> )]   |
| <b>6</b>  | Specified Denomination(s):                     | [●]  |
| <b>7</b>  | (i) Issue Date:                                | [●]  |
|           | (ii) Interest Commencement Date:               | [Specify/Issue Date/Not Applicable]  |
| <b>8</b>  | Maturity Date:                                 | [●] [ <i>Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year</i> ]/[Undated Subordinated Notes]   |
| <b>9</b>  | Interest Basis:                                | [[●] per cent. Fixed Rate]<br>[[●] per cent. Fixed Rate Resettable Notes]<br>[[ <i>specify particular reference rate</i> ] +/- [●] per cent. Floating Rate]<br>[Zero Coupon]<br>[Fixed/Floating Rate]<br>[CPI Linked Interest]<br>[HICP Linked Interest]<br>( <i>Further particulars specified below</i> )   |
| <b>10</b> | Redemption Basis:                              | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●] per cent. of their nominal amount.  |

- 11 Change of Interest Basis: [Applicable/Not Applicable] [Optional Change of Interest Date / Automatic Change of Interest Date: [●]]  
[Specify the date when any fixed to floating rate or floating to fixed rate change occurs or refer to paragraphs 14 and 15 below and identify there]
- 12 Put/Call Options:  
[Put Option]  
[Call Option]  
[Residual Call Option]  
[Make-Whole Redemption by the Issuer]  
[Clean-Up Call Option]  
[Change of Control Put Option]  
[Acquisition Event Call Option]  
[Change of Control Call Event Option]  
[Accounting Event Call Option]  
[Rating Event Call Option]  
[Withholding Tax Event Call Option]  
[Gross-Up Event Call Option]  
[Tax Deductibility Event Call Option]  
[(Further particulars specified below)]
- 13 (i) Status of the Notes: [Dated/Undated] [Unsubordinated/ [Ordinary/Deeply Subordinated Notes]
- (ii) [Date[s] of [Board] approval[s] for issuance of Notes obtained: [Decision of the *Conseil d'administration* of Arkema dated [●]] [and [●].]]

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 14 **Fixed Rate Note Provisions** [In respect of Fixed/Floating Rate Notes: From (and including) [●] to (but excluding) [●]:][Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (*specify*)] in arrears on each Interest Payment Date
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with the Business Day Convention specified below <sup>6</sup> ] [commencing on [●] and ending on [●]/[the Maturity Date]] [specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”]/not adjusted.]
- (iii) Fixed Coupon Amount[(s)]<sup>7</sup>: [●] per Note of [●] Specified Denomination

<sup>6</sup> RMB Notes only

<sup>7</sup> Not applicable for RMB Notes

(iv) Broken Amount(s):	[●] payable on the Interest Payment Date falling [in/on] [●]
(v) Day Count Fraction:	[Actual/Actual / Actual/Actual-ISDA / Act/Act / Act/Act (ISDA) Actual/365-FBF / Actual/Actual-FBF / Actual/Actual-ICMA / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360 (ISDA)]
(vi) [Determination Dates:	[●] in each year ( <i>insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual-ICMA</i> )]
(vii) [Business Day Convention <sup>8</sup> :	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]]
(viii) Interest Rate Adjustment:	[Applicable/Not Applicable] ( <i>Only applicable to Unsubordinated Notes</i> )
(ix) Margin Adjustment:	[[●]/Not Applicable]
(x) [Party responsible for calculating Rate(s) of Interest and/or Interest Amounts (if not the Calculation Agent) <sup>9</sup> :	[●]/[Not Applicable]]
<b>15 Fixed Rate Resettable Note Provisions (Subordinated Notes only):</b>	[Applicable/Not Applicable] ( <i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i> ) ( <i>In the event where the benchmark used to calculate the interest payable is discontinued, Condition 5(b)(ii)(C) provides for a methodology to determine the successor or alternative rate</i> )
(i) Initial Rate of Interest:	[●] per cent. <i>per annum</i> payable [annually/ semi annually/quarterly/monthly] in arrear [[from (and including the [Issue Date] to (but excluding) the [First Reset Date]]
(ii) Interest Payment Date(s):	[●] in each year [commencing on [●] and ending on [●]/[the Maturity Date]] [specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”]/not adjusted.]
(iii) Broken Amount(s):	[●] payable on the Interest Payment Date falling [in/on] [●]
(iv) Day Count Fraction:	[Actual/Actual / Actual/Actual-ISDA / Act/Act / Act/Act (ISDA) Actual/365-FBF / Actual/Actual-FBF / Actual/Actual-ICMA / Actual/365(Fixed) / Actual/360 /

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<sup>8</sup> RMB Notes only

<sup>9</sup> RMB Notes only

	30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360 (ISDA)]
(v) [Determination Dates:	[●] in each year [up to (and including) the First Reset Date] ( <i>insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual-ICMA</i> )
(vi) Initial Margin:	[+/-] [●] per cent. <i>per annum</i> [from (and including) the [First Reset Date] to (but excluding) the [Second Reset Date]]
(vii) Subsequent Step-Up Margin[s]:	[[+/-] [●] per cent. <i>per annum</i> from (and including) the [Second Reset Date] to (but excluding) the Subsequent Reset Date falling on [●] [+/-] [●] per cent. <i>per annum</i> from (and including) the [Subsequent Reset Date falling on [●]] / [●]] ( <i>duplicate as appropriate</i> )
(viii) First Reset Date:	[●]
(ix) Second Reset Date:	[[●] / Not Applicable]
(x) Subsequent Reset Date(s):	[[●] [and [●]] / Not Applicable]
(xi) Relevant Screen Page:	[●]
(xii) Relevant Screen Page Time:	[●]
(xiii) Mid-Swap Floating Leg Benchmark Rate:	[●]
(xiv) Mid-Swap Maturity:	[●]
(xv) Reset Determination Date:	[●]
(xvi) Party responsible for calculating Rate(s) of Interest and/or Interest Amounts (if not the Calculation Agent):	[●]/[Not Applicable]
<b>16 Floating Rate Note Provisions</b>	[In respect of Fixed/Floating Rate Notes: From (and including) [●] to (but excluding) [●]:][Applicable/Not Applicable] ( <i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i> ) ( <i>In the event where the benchmark used to calculate the interest payable is discontinued, Condition 5(c)(iii)(D) provides for a methodology to determine the successor or alternative rate</i> )
(i) Interest Period(s):	[●]
(ii) Specified Interest Payment Dates:	[[●] in each year, subject to adjustment in accordance with the Business Day Convention set out in (iii) below]

- (iii) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Business Centre(s): [●]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/FBF Determination/ISDA Determination]
- (vi) Interest Period Date(s): [Not Applicable/Specify dates]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): [●]
- (viii) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [EURIBOR/CMS Rate/€STR/SOFR Benchmark/SONIA (or any other reference rate)]
  - Relevant Inter-Bank Market: [●]
  - [Relevant Screen Page Time: [●]/[Not Applicable]
  - Interest Determination Date(s): [[●]/The date which is [“p”] [London] Business Days prior to each Interest Payment Date <sup>10</sup> /[[TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest [Accrual] Period/each Interest Payment Date]
  - [Relevant Screen Page: [●]]  
(In the case of €STR or SOFR Benchmark, delete this paragraph)
  - [Relevant Fallback Screen Page: (Only applicable in the case of SONIA)  
[●]]
  - [€STR Rate of Interest Determination: (Only applicable in the case of €STR)  
[€STR Lookback Compound/€STR Shift Compound]]
  - [SOFR Rate of Interest Determination: (Only applicable in the case of SOFR Benchmark)  
[Simple SOFR Average/Compounded Daily SOFR/Compounded SOFR Index]]
  - [SONIA Rate of Interest Determination: (Only applicable in the case of SONIA)  
[SONIA Compounded Index Rate/SONIA Compounded Daily Reference Rate [with Observation Shift]/[with Lag] where “p” is: [specify number] London Business Days [being no less than [●] London Business Days]]
  - [Observation Look-Back Period: (Only applicable in the case of €STR)  
[[●] TARGET Business Days]/[Not Applicable]]

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<sup>10</sup> Use this first option for SONIA notes. The Interest Determination Date should match the last day of the Observation Period.

- [Observation Shift Days: *(Only applicable in the case of €STR)*  
[[●]/TARGET Business Days]/[Not Applicable]]
- [Compounded Daily SOFR: *(Only applicable in the case of Compounded Daily SOFR)*  
[SOFR Lag/SOFR Observation Shift/SOFR Payment Delay/SOFR Lockout]]
- [Lookback Days: *(Only applicable in the case of SOFR Lag)*  
[Not Applicable/[●] U.S. Government Securities Business Day(s)]]
- [SOFR Observation Shift Days: *(Only applicable in the case of SOFR Observation Shift or Compounded SOFR Index)*  
[Not Applicable/[●] U.S. Government Securities Business Day(s)]]
- [Interest Payment Delay Days: *(Only applicable in the case of SOFR Payment Delay)*  
[Not Applicable/[●] U.S. Government Securities Business Day(s)]]
- [SOFR Rate Cut-Off Date: *(Only applicable in the case of Simple SOFR Average, Compounded Daily SOFR: SOFR Payment Delay or Compounded Daily SOFR: SOFR Lockout)*  
[Not Applicable/The day that is the [●] U.S. Government Securities Business Day(s) prior to the end of each Interest Period]]
- [SOFR Index<sub>Start</sub>: *(Only applicable in the case of Compounded SOFR Index)*  
[Not Applicable/[●] U.S. Government Securities Business Day(s)]]
- [SOFR Index<sub>End</sub>: *(Only applicable in the case of Compounded SOFR Index)*  
[Not Applicable/[●] U.S. Government Securities Business Day(s)]]
- Relevant Swap Rate: [●]
- Reference Bank: [●]
- Relevant Financial Centre: [●]
- Specified Currency: [●]
- Reference Currency: [●]
- Designated Maturity: [●]
- Specified Time:
- (ix) FBF Determination:
  - Floating Rate (*Taux Variable*): [●]
  - Floating Rate Determination Date (*Date de Détermination du Taux Variable*): [●]

(x) ISDA Determination:	
– Floating Rate Option:	[●]
– Designated Maturity:	[●]
– Reset Date:	[●]
(xi) Margin(s):	[+/-][●] per cent. per annum
(xii) Minimum Rate of Interest <sup>11</sup> :	[●] per cent. per annum
(xiii) Maximum Rate of Interest:	[●] per cent. per annum
(xiv) Day Count Fraction:	[Actual/Actual / Actual/Actual-ISDA / Act/Act / Act/Act (ISDA) Actual/365-FBF / Actual/Actual-FBF / Actual/Actual-ICMA / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360 (ISDA)]
(xv) Interest Rate Adjustment	[Applicable/Not Applicable]
(xvi) Margin Adjustment	[[●]/Not Applicable]
<b>17 Zero Coupon Note Provisions (Unsubordinated Notes only)</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Amortisation Yield:	[●] per cent. per annum
(ii) Day Count Fraction:	[Actual/Actual / Actual/Actual-ISDA / Act/Act / Act/Act (ISDA) Actual/365-FBF / Actual/Actual-FBF / Actual/Actual-ICMA / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360 (ISDA)]
<b>18 Inflation Linked Notes – Provisions relating to CPI or HICP Linked Interest (Unsubordinated Notes only)</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Index:	[CPI/HICP]
(ii) Party responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the Calculation Agent):	[●]
(iii) Interest Period(s):	[●]
(iv) Interest Payment Dates:	[●]
(v) Base Reference:	[CPI/HICP] Daily Inflation Reference Index applicable on <i>[specify date]</i> (amounting to: [●])
(vi) Rate of Interest:	[●] per cent. per annum multiplied by the Inflation Index Ratio
(vii) Minimum Rate of Interest <sup>12</sup> :	[●] per cent. per annum

<sup>11</sup> In no event shall the applicable rate of interest be less than zero.

<sup>12</sup> In no event shall the applicable rate of interest be less than zero.



(viii) Maximum Rate of Interest:	[●] per cent. per annum
(ix) Day Count Fraction:	[Actual/Actual / Actual/Actual-ISDA / Act/Act / Act/Act (ISDA) Actual/365-FBF / Actual/Actual-FBF / Actual/Actual-ICMA / Actual/365(Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360 (ISDA)]

## PROVISIONS RELATING TO REDEMPTION

<b>19 Call Option</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Optional Redemption Date(s):	[●]
(ii) Residual Redemption Period:	[●]/[Not Applicable]
(iii) Residual Redemption Date:	[●]/[Not Applicable]
(iv) Optional Redemption Amount(s) of each Note:	[●] per Note of [●] Specified Denomination
(v) If redeemable in part: (only in respect of Unsubordinated Notes)	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a) Minimum Redemption Amount:	[●]
(b) Maximum Redemption Amount:	[●]
(vi) Notice period <sup>13</sup> :	[[As per the Conditions]/[●]]
<b>20 Make-Whole Redemption by the Issuer</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Notice period <sup>14</sup> :	[●]
(ii) Reference Security:	[●]
(iii) Reference Dealers:	[[As per Condition 6(d)[(i)/(ii)]]/[●]]
(iv) Similar Security:	[●]
(v) Make-Whole Calculation Agent:	[●]
(vi) Redemption Margin:	[●]

<sup>13</sup> If setting notice periods are different to those provided in the terms and conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

<sup>14</sup> If setting notice periods are different to those provided in the terms and conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

<b>21</b>	<b>Clean-Up Call Option</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraph of this paragraph)</i>
	(i) Clean-Up Redemption Amount:	[●] per Note of [●] Specified Denomination
<b>22</b>	<b>Put Option</b> <b>(Unsubordinated Notes only)</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note:	[●] per Note of [●] Specified Denomination
	(iii) Notice period <sup>15</sup> :	[[As per the Conditions]/[●]]
<b>23</b>	<b>Residual Call Option</b> <b>(Unsubordinated Notes only)</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Call Option Date (Condition 6(c)):	[●]
	(ii) Notice period <sup>16</sup> :	[●]
<b>24</b>	<b>Change of Control Put Option</b> <b>(Unsubordinated Notes only)</b>	[Applicable/Not Applicable]
<b>25</b>	<b>Final Redemption Amount of each Note</b> Inflation Linked Notes – Provisions relating to the Final Redemption Amount: (Unsubordinated Notes only)	[●] per Note of [●] Specified Denomination [Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Index:	[CPI/HICP]
	(ii) Final Redemption Amount in respect of Inflation Linked Notes:	[[Condition 6 (h) applies]/[Condition 6(g) in respect of the 2014 EMTN Conditions]]
	(iii) Base Reference:	[CPI/HICP] Daily Inflation Reference Index applicable on <i>[specify date]</i> (amounting to: [●])
	(iv) Party responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the Calculation Agent):	[●]
<b>26</b>	<b>Early Redemption Amount of Unsubordinated Notes</b>	

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<sup>15</sup> If setting notice periods are different to those provided in the terms and conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

<sup>16</sup> If setting notice periods are different to those provided in the terms and conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

(i)	Early Redemption Amount(s) of each Unsubordinated Note payable on redemption for taxation reasons ([Condition 6(j)(i)]/[Condition 6(i) in respect of the 2014 EMTN Conditions]), for illegality ([Condition 6(n)]/[Condition 6(m) in respect of the 2014 EMTN Conditions]) or on event of default (Condition 9):	[●] per Note of [●] Specified Denomination
(ii)	Redemption for taxation reasons of each Unsubordinated Note permitted on days other than Interest Payment Dates:	[Yes/No]
<b>27</b>	<b>Acquisition Event Call Option</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraph of this paragraph)</i>
(i)	Acquisition Event Limit Date:	[●]
(ii)	Targeted Company:	[●]
(iii)	Optional Redemption Amount:	[●] per Note of [●] Specified Denomination
(iv)	Redemption in whole only:	[Applicable/Not Applicable] <i>(Always applicable for Subordinated Notes)</i>
<b>28</b>	<b>Change of Control Call Event Option (Unsubordinated Notes only)</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraph of this paragraph)</i>
(i)	Change of Control Step Up Margin:	[[5.000]/[●]] per cent. per annum.
<b>29</b>	<b>Accounting Event Call Option (Subordinated Notes only)</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraph of this paragraph)</i>
(i)	Accounting Event Cut-Off Date:	[●]
(ii)	Accounting Event Early Redemption Price:	[●] per Note of [●] Specified Denomination
<b>30</b>	<b>Rating Event Call Option (Subordinated Notes only)</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraph of this paragraph)</i>
(i)	Rating Event Cut-Off Date:	[●]
(ii)	Rating Event Early Redemption Price:	[●] per Note of [●] Specified Denomination
<b>31</b>	<b>Gross-Up Event Call Option</b>	[Applicable/Not Applicable]

- (Subordinated Notes only)**
- 32 Withholding Tax Event Call Option** [Applicable/Not Applicable]  
**(Subordinated Notes only)**
- 33 Tax Deductibility Event Call Option** [Applicable/Not Applicable]  
**(Subordinated Notes only)** *(If not applicable, delete the remaining sub-paragraph of this paragraph)*
- (i) Tax Deductibility Event Cut-Off [●]  
Date:
- (ii) Tax Deductibility Event Early [●] per Note of [●] Specified Denomination  
Redemption Price:

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 34 Form of Notes:** [Dematerialised Notes/Materialised Notes]  
*(Materialised Notes are only in bearer form and may only be issued outside France)*  
*(Only Unsubordinated Notes may be issued in materialised form)*  
*[Delete as appropriate]*
- (i) Form of Dematerialised Notes: [Not Applicable/specify whether Bearer dematerialised form (*au porteur*)/Administered Registered Dematerialised form (*au nominatif administré*)/Fully Registered dematerialised form (*au nominatif pur*)]
- (ii) Registration Agent [Not Applicable/Applicable] *[if applicable give name and details]*  
*(Note that a registration agent must be appointed in relation to Fully Registered Dematerialised Notes only)*  
*(Only applicable to Unsubordinated Notes)*
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [●] (the “**Exchange Date**”), being 40 calendar days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]  
*(Only applicable to Unsubordinated Notes)*
- (iv) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable]  
*(Only applicable to Unsubordinated Notes issued as Materialised Notes)*
- 35 Exclusion of the possibility to request identification of the Noteholders as provided by Condition 1(a):** [Not Applicable/Applicable]
- 36 Financial Centre(s) (Condition 7(h)):** [Not Applicable/give details.]  
*(Note that this item relates to the date of payment, and not the end dates of interest period for the purposes of*

calculating the amount of interest to which items 14(ii) and 15(iv) relate)

- 37** Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]  
(Only applicable to Unsubordinated Notes)
- 38** Details relating to Instalment Notes: [Not Applicable/*give details*]  
(Unsubordinated Notes only)
- (i) Instalment Amount(s): [●]  
(ii) Instalment Date(s): [●]  
(iii) Minimum Instalment Amount: [●]  
(iv) Maximum Instalment Amount: [●]
- 39** Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 1(d)] apply]
- 40** Consolidation provisions: [Not Applicable/The provisions [in Condition 14(b)] apply]
- 41** Possibility of resale of purchased Notes<sup>17</sup>: [Yes/No]
- 42** *Masse* (Condition 11): Name and address of the Representative: [●]  
[The Representation will receive no remuneration/The Representative will receive a remuneration of [●]]

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [(*Relevant third party information*) has been extracted from (*specify source*).] [The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Arkema:

By: .....  
Duly authorised

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<sup>17</sup> In accordance with applicable laws and regulations.

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris/specify relevant regulated market] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris/specify relevant regulated market/] with effect from [●].] [Not Applicable]

*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading)*

- (ii) Estimate of total expenses related to admission to trading: [●]

### 2 RATINGS

Ratings: [Not Applicable]/[The Notes to be issued [have been/are expected to be] rated]:

[S & P: [●]]

[Moody's: [●]]

[[Other]: [●]]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*

*(The above disclosure should reflect the rating allocated to Notes where the issue has been specifically rated)*

*(Include appropriate Credit Rating Agency Regulation (Regulation (EC) No 1060/2009 as amended) disclosure)*

*[Insert one (or more) of the following options, as applicable:*

*[[Insert credit rating agency/ies] [is/are] established in the European Union and [has/have each] applied for registration under Regulation (EC) No 1060/2009 (as amended) (the “CRA Regulation”), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority]*

*[[Insert credit rating agency/ies] [is/are] established in the European Union and registered under Regulation*

(EC) No 1060/2009 (as amended) (the “**CRA Regulation**”)]

[[*Insert credit rating agency/ies*] [is/are] not established in the European Union and [has/have each] not applied for registration under Regulation (EC) No 1060/2009 (as amended) (the “**CRA Regulation**”)]

**3 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]**

*(Need to include a description of any interest, including a conflict of interest, that is material to the [issue/offer], detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of one of the following statements below)*

“Save as discussed in [“*Subscription and Sale*”], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.” *(Amend as appropriate if there are other interests)*]

[The [Managers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

*[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 23 of the Prospectus Regulation)]*

**4 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS [AND TOTAL EXPENSES]**

(i) Reasons for the offer: [●]/[The net proceeds will be used for the Issuer’s general corporate purposes.]

*(See [“Use of Proceeds”] wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here)*

(ii) Estimated net proceeds: [●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding)*

[(iii) Estimated total expenses: [●]

*[Include breakdown of expenses]]*

**5 [Fixed Rate Notes and Fixed Rate Resettable Notes only – YIELD]**

Indication of yield: [●]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. [For the avoidance of doubt, the yield does not take into

account the adjustment of the Rate of Interest as specified in Condition 5(l).]]

## 6 **[Floating Rate Notes only – PERFORMANCE OF RATES]**

Details of performance of [EURIBOR/CMS Rate/€STR/SOFR Benchmark/SONIA/*replicate other as specified in the Conditions*] rates can be obtained [but not] free of charge from [Reuters]]

[Amounts payable under the Notes will be calculated by reference to [ EURIBOR/€STR/SOFR Benchmark/SONIA/[•]] which is provided by [•]. [As at [•], [•] [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 Benchmarks Regulation (Regulation (EU) 2016/1011) (the “**Benchmarks Regulation**”).] [As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that [•] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence). [As at [•], [•] appears on the register of administrators and benchmarks established and maintained by the Financial Conduct Authority in the United Kingdom.]]]

## 7 **[Inflation Linked Notes only – PERFORMANCE OF INDEX AND OTHER INFORMATION CONCERNING THE UNDERLYING]**

(i) Name of underlying index: [Consumer Price Index excluding tobacco for all households in metropolitan France (“**CPI**”) as calculated and published [monthly/[•]] by the *Institut National de la Statistique et des Etudes Economiques*.]/[Harmonised Index of Consumer Prices excluding tobacco measuring the rate of inflation in the European Monetary Union excluding tobacco (“**HICP**”) as calculated and published [monthly/[•]] by Eurostat.]

(ii) Information about the index, its volatility and past and future performance can be obtained: [•]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information]]

## 8 **OPERATIONAL INFORMATION**

ISIN: [•]

Common Code: [•]

Depositories

(i) Euroclear France to act as Central Depository: [Yes/No]

(ii) Common Depository for Euroclear Bank SA/NV and Clearstream Banking, S.A.: [Yes/No]

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s): [Not Applicable/*give name(s), adresse(s) and number(s)*]

Delivery: Delivery [against/free of] payment



Names and addresses of additional Fiscal Agent, Paying Agent(s) or Consolidation Agent (if any): [Not Applicable/[●]]

**9 DISTRIBUTION**

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated:

(A) Date of the [Subscription] Agreement: [Not Applicable/[●]]

(B) Names of Managers: [Not Applicable/give names]

*(Include names of entities agreeing to underwrite the issue on a firm commitment basis and names of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers. Where not all of the issue is underwritten, include a statement of the portion not covered.)*

(C) Stabilisation Manager[s] if any: [Not Applicable/give name(s)]

(iii) If non-syndicated, name and address of Dealer: [Not Applicable/give name]

(iv) US Selling Restrictions (Categories of potential investors to which the Notes are offered): Reg. S Compliance Category 2 applies to the Notes; [TEFRA C/TEFRA D/TEFRA not applicable]

(v) Prohibition of Sales to EEA Retail Investors: [Not Applicable/Applicable]

*(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified and the legend entitled “Prohibition of Sales to EEA Retail Investors” on the cover page of the Final Terms should be included. For the purpose of the above, a “packaged” product shall designate a “packaged retail investment product” which means in accordance with Regulation (EU) No 1286/2014 of 26 November 2014 an investment, where, regardless of the legal form of the investment, the amount repayable to the retail investor is subject to fluctuations because of exposure to reference values or to the performance of one or more assets which are not directly purchased by the retail investor.)*

- (vi) Prohibition of Sales to UK Retail Investors:

[Not Applicable/Applicable]

*(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified and the legend entitled “Prohibition of Sales to UK Retail Investors” on the cover page of the Final Terms should be included. For the purpose of the above, a “packaged” product shall designate a “packaged retail investment product” which means in accordance with Regulation (EU) No 1286/2014 of 26 November 2014 as it forms part of UK domestic law by virtue of the European Union Withdrawal Agreement, an investment, where, regardless of the legal form of the investment, the amount repayable to the retail investor is subject to fluctuations because of exposure to reference values or to the performance of one or more assets which are not directly purchased by the retail investor.)*

- (vii) [Singapore Sales to Institutional Investors and Accredited Investors only:

[Applicable/Not Applicable]

*(If there is no offer of the Notes in Singapore, delete this paragraph)*

*(If the Notes are offered in Singapore to Institutional Investors and Accredited Investors (as defined under the Securities and Futures Act 2001 of Singapore) only, “Applicable” should be specified. If the Notes are also offered in Singapore to investors other than Institutional Investors and Accredited Investors (as defined under the Securities and Futures Act 2001 of Singapore), “Not Applicable” should be specified.)*

## 10 [SUBORDINATED NOTES:

**The following paragraphs in italics do not form part of the Terms and Conditions of the Notes.**

*The Issuer intends (without thereby assuming a legal or contractual obligation) that it will redeem or repurchase the Notes (or any part thereof) only to the extent that such part of the aggregate principal amount of the Notes (or any part thereof) to be redeemed or repurchased which was assigned “equity credit” (or such similar nomenclature used by S&P from time to time) at the time of the issuance of the Notes does not exceed such part of the net proceeds received by the Issuer or any Subsidiary of the Issuer from the sale or issuance of securities by the Issuer or such Subsidiary to third party purchasers (other than group entities of the Issuer) which is assigned by S&P “equity credit” (or such similar nomenclature used by S&P from time to time) that is equal to or greater than the “equity credit” assigned to the relevant Notes (or any part thereof) to be redeemed or purchased, at the time of sale or issuance of such securities (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the Notes).*

*The following exceptions apply as to the Issuer's replacement intention. The Notes are not required to be replaced:*

- (i) *if the long-term corporate credit rating assigned by S&P to the Issuer is the same as or higher than the long-term corporate credit rating assigned to the Issuer on the date of the last additional hybrid issuance (excluding refinancing) and the Issuer is of the view that such a rating would not fall below this level as a result of such redemption or repurchase; or*

- (ii) *in the case of a repurchase or a redemption, taken together with other relevant repurchases or redemptions of hybrid securities of the Issuer, such repurchase or redemption is of less than (a) 10 per cent. of the aggregate hybrid capital outstanding in any period of twelve (12) consecutive months or (b) 25 per cent. of the aggregate hybrid capital outstanding in any period of 10 consecutive years; or*
- (iii) *if, in the case of a repurchase or a redemption, such repurchase or redemption is in an amount necessary to allow the Issuer's aggregate amount of hybrid capital remaining outstanding after such repurchase to remain below the maximum aggregate principal amount of hybrid capital to which S&P would assign equity content under its prevailing methodology; or*
- (iv) *if the Notes are redeemed pursuant to a Rating Event, a Tax Deductibility Event, an Accounting Event, a Withholding Tax Event, a Gross-Up Event or a Change of Control Call Event; or*
- (v) *if the Notes are not assigned an "equity credit" by S&P (or such similar nomenclature then used by S&P) at the time of such redemption or repurchase; or*
- (vi) *if such redemption or repurchase occurs on or after [●].*

*Terms used but not defined in the preceding sentences shall have the meaning set out under "Terms and Conditions of the Notes" of the Base Prospectus as completed by this Final Terms.]*

## GENERAL INFORMATION

### (1) AMF approval and listing and admission to trading

Application has been made for approval of this Base Prospectus to the AMF in France in its capacity as competent authority pursuant to the Prospectus Regulation. The AMF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus nor of the quality of the Notes which are subject to this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. This Base Prospectus will be valid for a period of twelve (12) months until 8 March 2025, provided that it is completed by any supplement, pursuant to Article 23 of the Prospectus Regulation, following the occurrence of a significant new factor, a material mistake or a material inaccuracy relating to the information included (including information incorporated by reference) in this Base Prospectus which may affect the assessment of the Notes. After such date, the Base Prospectus 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.

Application has been made to list and admit the Notes to trading on Euronext Paris and/or on any other Regulated Market in a Member State of the EEA, as the case may be.

In compliance with Article 25 of the Prospectus Regulation, application may also be made for the notification of certificate of approval to any competent authority of any Member State of the EEA.

### (2) Corporate authorisations

Arkema has obtained all necessary corporate and other consents, approvals and authorisations in the Republic of France in connection with the update of the Programme. Any drawdown of Notes under the Programme, to the extent that such Notes constitute *obligations*, requires the prior authorisation of (i) the *Conseil d'administration* of Arkema or (ii) the Ordinary General Meeting of the Issuer's shareholders if (a) the *statuts* of the Issuer so require (at the date hereof the *statuts* of Arkema do not require a resolution of the Ordinary General Meeting) or (b) the shareholders at an Ordinary General Meeting decide to authorise an issue of *obligations*, all pursuant to Article L.228-40 of the French *Code de commerce*. Any drawdown of Notes, to the extent that such Notes do not constitute *obligations*, falls within the general powers of the *Président Directeur Général*.

The update of the Programme has been authorised by a decision of the *Conseil d'administration* of Arkema on 28 February 2024.

### (3) No significant change in the financial position or financial performance

Save as disclosed in this Base Prospectus on pages 133 to 160, there has been no significant change in the financial position or financial performance of Arkema or the Group since 31 December 2023.

### (4) No material adverse change

There has been no material adverse change in the prospects of Arkema since 31 December 2023.

### (5) Legal and arbitration proceedings

Save as disclosed in this Base Prospectus on page 42, Arkema is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which Arkema is aware), during a period covering at least the previous 12 months which

may have, or have had in the recent past, significant effects on the financial position or profitability of Arkema or the Group.

**(6) Potential conflicts of interests between any duties to the issuing entity of the members of the board of directors**

Save as disclosed in this Base Prospectus, to the knowledge of the Issuer, there are no other potential conflicts of interest between the duties, to the Issuer, of the members of the board of directors, the general management and their private interests and/or other duties. To the knowledge of the Issuer, there are no arrangements or agreements, with the main shareholders, customers or suppliers of the Issuer, pursuant to which a member of the board of directors or the general management has been appointed.

**(7) Material contracts**

Save as disclosed in this Base Prospectus, there are no material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any Group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to the Noteholders in respect of the Notes being issued.

**(8) Clearing**

Notes will be accepted for clearance through the Euroclear and Clearstream systems which are entities in charge of keeping the records. The Common Code, the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium and the address of Clearstream is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg.

Dematerialised Notes will be inscribed in the books of Euroclear France (acting as central depository). Dematerialised Notes which are in registered form (*au nominatif*) are also inscribed either with the Issuer or with the registration agent.

The address of Euroclear France is 66, rue de la Victoire, 75009 Paris, France.

**(9) Yield**

In relation to any Tranche of Fixed Rate Notes or any Tranche of Fixed Rate Resettable Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield. For the avoidance of doubt, the yield indicated in the applicable Final Terms in respect of Unsubordinated Notes will not take into account the adjustment of the Rate of Interest as specified in Condition 5(l).

**(10) Documents available**

The following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the office of the Issuer and on the website of the Issuer ([www.arkema.com](http://www.arkema.com)), or otherwise, using any kinds of communication means, permitted by law, at the choice of the Issuer and from the specified offices of the Paying Agents, free of charge:

- (i) the *statuts* of the Issuer (<https://www.arkema.com/global/fr/investor-relations/corporate-governance/governance/board-of-directors/>);

- (ii) the documents incorporated by reference in this Base Prospectus, which comprise the 2023 Consolidated Financial Statements and the 2022 Universal Registration Document (<https://www.arkema.com/en/investor-relations/regulated-information/>);
- (iii) each Final Terms for Notes that are listed and admitted to trading on Euronext Paris or any other regulated market in the EEA (<https://www.arkema.com/en/investor-relations/regulated-information/>);
- (iv) this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus and any document incorporated by reference (<https://www.arkema.com/en/investor-relations/regulated-information/>);
- (v) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus.

The information on the website of the Issuer does not form part of this Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus.

The following documents will also be available on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)):

- (i) the Final Terms for Notes that are listed and admitted to trading on Euronext Paris and/or in any Member State of the EEA;
- (ii) this Base Prospectus together with any supplement to this Base Prospectus; and
- (iii) the documents incorporated by reference in this Base Prospectus (save for the 2023 Consolidated Financial Statements).

#### **(11) Statutory auditors**

KPMG S.A. and Ernst & Young Audit have audited and rendered unqualified audit reports on the consolidated financial statements of Arkema for the years ended 31 December 2023 and 2022, prepared in accordance with IFRS as adopted by the European Union. Both entities are regulated by the *Haut Conseil du Commissariat aux Comptes*, duly authorised as *Commissaires aux comptes* and members of the *Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre*.

#### **(12) Stabilisation**

In connection with the issue of any Tranche (as defined in the “General Description of the Programme”), the Dealer or Dealers (if any) named as the stabilisation manager(s) (the “**Stabilisation Manager(s)**”) (or any person acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 calendar days after the issue date of the relevant Tranche and 60 calendar days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

**(13) Benchmarks Regulation**

Amounts payable under the Floating Rate Notes may be calculated by reference to one or more “benchmarks” for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the “**Benchmarks Regulation**”) as indicated in the relevant Final Terms. The relevant Final Terms in respect of an issue of Floating Rate Notes may specify the relevant benchmark, the relevant administrator and whether such administrator appears on the European Securities and Markets Authority register referred to above.

**(14) Legal Entity Identifier (“LEI”)**

The LEI of the Issuer is 9695000EHMS84KKP2785.

**(15) Currencies**

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to “**€**”, “**Euro**”, “**EUR**” or “**euro**” are to the single currency of the participating member states of the European Union which was introduced on 1 January 1999, references to “**£**”, “**pounds sterling**”, “**GBP**” and “**Sterling**” are to the lawful currency of the United Kingdom, references to “**\$**”, “**USD**” and “**U.S. dollar**” are to the lawful currency of the United States of America, references to “**HK\$**” are to the lawful currency of Hong Kong, references to “**¥**”, “**JPY**”, “**Japanese yen**” and “**Yen**” are to the lawful currency of Japan, references to “**CHF**”, “**Swiss francs**” are to the lawful currency of Switzerland and references to “**Renminbi**” or “**RMB**” are to the lawful currency of the PRC.

**(16) Potential Conflicts of Interests**

All or some of the Dealers and, as the case may be, the Calculation Agent and their respective affiliates (including their parent companies) have and/or may in the future engage, in investment banking, commercial banking and/or other financial advisory and commercial dealings with the Issuer and its affiliates and in relation to securities issued by any entity of the Group (as defined in the “Important Notice” section of this Base Prospectus). They have or may, in the ordinary course of their business, (i) engage in investment banking, trading or hedging activities including activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (ii) act as underwriters in connection with offering of shares or other securities issued by any entity of the Group or (iii) act as financial advisers to the Issuer or other companies of the Group. In the context of these transactions, certain of such Dealers have or may hold shares or other securities issued by entities of the Group. Where applicable, they have or will receive customary fees and commissions for these transactions.

Each of the Issuer and the Dealer(s) may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Potential conflicts of interest may arise between the Calculation Agent, if any, for a Tranche of Notes and the Noteholders (including where a Dealer acts as Calculation Agent), including with respect to certain discretionary determinations and judgements that such Calculation Agent may make pursuant to the Conditions of the Notes that may influence the amount receivable upon redemption of the Notes. In particular, whilst a Calculation Agent will, as the case may be, have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

## PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS

We declare, to the best of our knowledge, that the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

### **Arkema**

420, rue d'Estienne d'Orves  
92700 Colombes  
France

### **Duly represented by:**

#### **Thomas Lestavel**

*Directeur Financement et Trésorerie*

authorised signatory

dated 8 March 2024



This Base Prospectus has been approved by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, as amended. The AMF has approved this Base Prospectus after having verified that the information it contains is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129, as amended.

This approval is not a favourable opinion on the Issuer and on the quality of the Notes described in this Base Prospectus. Investors should make their own assessment of the opportunity to invest in such Notes.

This Base Prospectus has been approved on 8 March 2024 is valid until 8 March 2025 and shall, within this period and pursuant to the conditions set by Article 23 of Regulation (EU) 2017/1129, as amended, be completed by a supplement to the Base Prospectus in the event of new material facts or substantial errors or inaccuracies. The Base Prospectus has the following approval number: 24-064.



**ISSUER**

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CALCULATION AGENT**

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