



# ARVAL

## BNP PARIBAS GROUP

### ARVAL SERVICE LEASE Euro 15,000,000,000 Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme described in this Base Prospectus (the “**Programme**”), Arval Service Lease (the “**Issuer**” or “**Arval**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the “**Notes**”). The aggregate nominal amount of Notes outstanding will not at any time exceed Euro 15,000,000,000 (or the equivalent in other currencies).

This Base Prospectus constitutes a base prospectus for the purposes of article 8 of Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”). This Base Prospectus received the approval number 24-031 on 13 February 2024 from the *Autorité des marchés financiers* (the “**AMF**”) and shall be in force for a period of one (1) year as of the date of its approval by the AMF. 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event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.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 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 should not be considered as an endorsement of the Issuer or of the quality of the Notes which are the subject of this Base Prospectus. 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 twelve (12) months from the date of approval by the AMF of this Base Prospectus for Notes issued under the Programme to be admitted to trading on the regulated market of Euronext in Paris (“**Euronext Paris**”) and/or to the competent authority of any other Member State of the European Economic Area (“**EEA**”) for Notes issued under the Programme to be 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, appearing on the list of regulated markets issued by the European Commission (a “**Regulated Market**”). However, Notes that are not admitted to trading on a Regulated Market may 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 admitted to trading and, if so, the relevant Regulated Market in the EEA.

Notes admitted to trading on a Regulated Market in a member state of the EEA in circumstances which require the publication of a prospectus under the Prospectus Regulation will have a minimum denomination of at least €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Notes shall be issued in dematerialised form as more fully described herein.

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

The Notes may, at the option of the Issuer, be (i) in bearer form (*au porteur*) inscribed as from the Issue Date (as defined herein) in the books of Euroclear France S.A. (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of the Account Holders (as defined in “*Terms and Conditions of the Notes - Form, Denomination(s), Title and Redenomination*”) including Euroclear Bank SA/NV (“**Euroclear**”) and the depository bank for Clearstream Banking S.A. (“**Clearstream**”) or (ii) in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in Condition 1(c)(iii)), in either fully registered form (*nominatif pur*), in which case they will be inscribed either in an account maintained by the Issuer or by the registration agent (designated in the relevant Final Terms) for the Issuer, or in administered registered form (*nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholder.

Arval’s long-term credit ratings are A/ Stable outlook by Fitch Ratings Ireland Limited (“**Fitch**”) and A-/ Stable outlook by S&P Global Ratings Europe Limited (“**S&P**”). Each of Fitch and S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 on credit rating agencies, as amended (the “**CRA Regulation**”). Each of Fitch and S&P 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 (<https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) as of the date of this Base Prospectus. Notes issued pursuant to the Programme may be unrated or rated differently from the current ratings of the Issuer. The rating of the Notes, if any, will be specified in the relevant Final Terms. 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 and will be set out in the relevant Final Terms.

The Base Prospectus, any documents incorporated by reference herein, any supplement thereto and the Final Terms will be available on the website of the Issuer ([www.arval.com/investors](http://www.arval.com/investors)) and, as the case may be, on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and may be obtained without charge from the registered office of the Issuer during normal business hours.

**Prospective investors should have regard to the factors described under the section headed “Risk Factors” in this Base Prospectus, before deciding to invest in the Notes issued under the Programme.**

Arranger and Dealer  
BNP PARIBAS

This Base Prospectus (together with any supplement to this Base Prospectus published from time to time (each a “Supplement” and together the “Supplements”)) constitutes a base prospectus for the purposes of Article 8 of the Prospectus Regulation, in respect of, and for the purpose of giving all necessary information with regard to the Issuer, the Issuer and its consolidated subsidiaries and affiliates (*filiales consolidées et participations consolidées*) taken as a whole (the “Arval Group”) and the Notes which is material to an investor for making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Arval Group, the rights attaching to the Notes and the reasons for the issuance and its impact on the Issuer.

This Base Prospectus should be read and construed in conjunction with any Supplement thereto and with any other documents incorporated by reference (see “*Documents Incorporated by Reference*” below), 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 relevant Final Terms, the Base Prospectus and the Final Terms being together, the “Prospectus”.

No person has been authorised to give any information or to make any representation other than those contained or incorporated by reference 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 the Dealer(s) (as defined in “*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 Arval Group since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or the Arval Group since the date hereof or the date upon which this Base Prospectus has been most recently 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 in the 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.

Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor in 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. The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer and the Dealer(s) to inform themselves about and to observe any such restriction. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “*Subscription and Sale*”.

**MiFID II PRODUCT GOVERNANCE / TARGET MARKET** – The Final Terms in respect of any Notes may 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 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 Directive 2014/65/EU (as amended, “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 MiFID product governance rules under Commission Delegated Directive (EU) 2017/593 (the “MiFID Product Governance Rules”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Dealer(s) nor any of its respective affiliates will be a manufacturer for the purpose of the MiFID 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 the MiFID Product Governance Rules.

**UK MiFIR PRODUCT GOVERNANCE / 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, taking into account the five (5) categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 (in accordance with the FCA’s policy statement entitled “*Brexit: our approach to EU non-legislative materials*”), 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. For the avoidance of doubt, the Issuer is not a UK MiFIR regulated entity and does not qualify as a distributor or a manufacturer under the UK MiFIR Governance Rules.

**PRIIPs IMPORTANT – 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 EEA. For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the “IDD”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. 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.

**PRIIPs IMPORTANT - 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 UK. For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (“FSMA”) and any rules or regulations made under the FSMA to implement the IDD, 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 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 PRIIPs Regulation.

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) NOR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND INCLUDE NOTES IN BEARER FORM THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN THE SECURITIES ACT). FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS AND SALES OF NOTES AND ON DISTRIBUTION OF THIS BASE PROSPECTUS, SEE “SUBSCRIPTION AND SALE”.**

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the jurisdiction 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. In particular, potential investors are warned that the tax laws of the investor's jurisdiction or of France (the Issuer's country of incorporation) might have an impact on the income received from the Notes. Potential investors cannot rely upon the tax overview contained in this Base Prospectus but should ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, disposal and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor.

One or more independent credit rating agencies may assign credit ratings to the Notes and the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in the section "*Risk factors*", and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

No action has been taken by the Issuer or the Dealer(s) which would permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required other than in compliance with Article 1.4 of the Prospectus Regulation. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor 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 and the Dealer(s) has represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Base Prospectus comes are required by the Issuer and the Dealer(s) to inform themselves about and to observe any such restriction.

Neither this Base Prospectus nor any Final Terms constitutes an offer of, or an invitation by or on behalf of the Issuer or the Dealer(s) to subscribe for, or purchase, any Notes.

The Dealer(s) has not separately verified the information contained or incorporated by reference in this Base Prospectus. The Dealer(s) does not make any representation, express or implied and does not accept any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other financial statements or any other information incorporated by reference are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Dealer(s) that any recipient of this Base Prospectus or any other financial statements 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. The Dealer(s) does not undertake to review the financial condition or affairs of the Issuer or the Arval 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 the Dealer(s).

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "€", "Euro", "EUR" and "euro" are to the single currency of the participating member states of the European Union which was introduced on 1<sup>st</sup> January 1999, references to "£", "pounds sterling", "GBP" and "Sterling" are to the lawful currency of the United Kingdom and references to "\$", "USD" and "U.S. dollars" are to the lawful currency of the United States of America.

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## GENERAL DESCRIPTION OF THE PROGRAMME

*The following general description of the Programme is qualified in its entirety by the remainder of this Base Prospectus. The Notes will be issued on such terms as shall be agreed between the Issuer and the relevant Dealer(s) and will be subject to the Terms and Conditions of the Notes set out in this Base Prospectus.*

*This general description constitutes a general description of the Programme for the purposes of Article 25.1(b) of Commission Delegated Regulation (EU) 2019/980, as amended. It does not, and is not intended to, constitute a summary of this Base Prospectus within the meaning of Article 7 of the Prospectus Regulation or any implementing regulation thereof.*

*Words and expressions defined in "Terms and Conditions of the Notes" and in the relevant Final Terms shall have the same meanings in this general description of the Programme.*

<b>Issuer:</b>	Arval Service Lease
<b>Risk factors:</b>	There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out under the heading " <i>Risks relating to the Issuer and its operations</i> " in the section headed " <i>Risk Factors</i> " in this Base Prospectus. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under the heading " <i>Risks relating to the Notes</i> " in the section headed " <i>Risk Factors</i> " in this Base Prospectus.
<b>Legal Entity Identifier ("LEI"):</b>	969500UCL6ROAHVXQV60
<b>Description:</b>	Euro Medium Term Note Programme (the " <b>Programme</b> ").
<b>Dealer(s):</b>	BNP Paribas Any other Dealer(s) appointed in accordance with the Dealer Agreement.
<b>Programme Limit:</b>	Up to Euro 15,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time (the " <b>Programme Limit</b> "). The Programme Limit may be increased, as provided in the dealer agreement dated 13 February 2024 between the Issuer and the Dealer.
<b>Fiscal Agent, Paying Agent, Put Agent, Redenomination Agent, Consolidation Agent, Calculation Agent and Make-whole Calculation Agent:</b>	BNP Paribas
<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 " <b>Tranche</b> ") on the same or different Issue Dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and principal amount of the

Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the final terms (the “**Final Terms**”).

<b>Maturities:</b>	Subject to compliance with all relevant laws, regulations and directives, any maturity from one (1) month from the original Issue Date of the relevant Notes, or, if applicable and to the extent so required by applicable laws and regulations, the Issue Date of the last tranche of any further Notes issued by the Issuer pursuant to Condition 12 (whichever is the later).
<b>Currencies:</b>	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, Sterling and USD and in any other currency specified in the relevant Final Terms as may be agreed between the Issuer and the relevant Dealer(s).
<b>Specified Denomination(s):</b>	<p>Notes shall be issued in such denomination(s) as may be specified in the relevant Final Terms as may be agreed between the Issuer and the relevant Dealer(s) (the “<b>Specified Denomination</b>”) 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 (“<b>EEA</b>”) 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).</p> <p>Notes having a maturity of less than one (1) year will constitute deposits for the purposes of the prohibition on accepting deposits contained in Section 19 of the Financial Services and Markets Act 2000, as amended (“<b>FSMA</b>”) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 (or its equivalent in other currencies).</p> <p>The Notes shall be issued in one Specified Denomination only.</p>
<b>Status of the Notes:</b>	The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer ( <i>engagements chirographaires</i> ) and rank and will at all times rank <i>pari passu</i> 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 indebtedness, obligations or guarantees of the Issuer, from time to time outstanding.
<b>Negative Pledge:</b>	There will be no negative pledge in respect of the Notes as set out in Condition 4 - see “ <i>Terms and Conditions of the Notes - Negative Pledge</i> ”.
<b>Event of Default:</b>	There will be events of default in respect of the Notes as set out in Condition 9 - see “ <i>Terms and Conditions of the Notes - Events of Default</i> ”.
<b>Redemption Amount:</b>	Subject to any laws and regulations applicable from time to time, the relevant Final Terms will specify the basis for calculating the redemption amounts payable.
<b>Optional Redemption:</b>	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 in part) and/or the Noteholders.
<b>Early Redemption:</b>	Except as provided in “Optional Redemption” above and “Make-whole Redemption by the Issuer”, “Residual Maturity Call Option”, “Clean-Up Call Option”, “Redemption at the Option of the Issuer” below, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons

(as provided in Condition 6(j)) or illegality (as provided in Condition 6(m)). See “*Terms and Conditions of the Notes - Redemption, Purchase and Options*”.

**Make-whole Redemption by the Issuer:**

If so specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to (i) the Maturity Date or (ii) the Residual Maturity Call Option Date, if a Residual Maturity Call Option is specified as applicable in the relevant Final Terms (the “**Make-whole Redemption Date**”) at their Make-whole Redemption Amount.

The “**Make-whole Redemption Amount**” will be an amount in the Specified Currency being the greater of (x) 100 per cent. of the Principal Amount of the Notes so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes until the Relevant Redemption Date (determined on the basis of the interest rate applicable to the Notes (not including any interest accrued on the Notes from and including the Issue Date or, as the case may be, the scheduled Interest Payment Date immediately preceding such Make-whole Redemption Date to, but excluding, such Make-whole Redemption Date) discounted from the Relevant Redemption Date, 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 Notes to, but excluding, the Make-whole Redemption Date.

**Residual Maturity Call Option:**

If so specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will have the option to redeem the Notes, in whole but not in part, at the Principal Amount of the Notes so redeemed (their “**Optional Redemption Amount**”) together with any interest accrued to, but excluding, the date fixed for redemption, at any time during the period starting on (and including) the Residual Maturity Call Option Date (as specified in the relevant Final Terms) and ending on (but excluding) the Maturity Date.

**Clean-Up Call Option:**

If a Clean-up Call Option by the Issuer is specified in the relevant Final Terms, in the event that at least 80% of the initial aggregate principal amount of a particular Series of Notes has been purchased or redeemed by the Issuer, the Issuer may have the option to redeem, in whole but not in part, the Notes in that Series at their Early Redemption Amount together with any interest accrued to the date fixed for redemption.

**Redemption at the Option of the Issuer:**

If a Call Option is specified in the relevant Final Terms, the Issuer may, redeem, in whole or, if so provided in the relevant Final Terms, in part, the Notes on any Optional Redemption Date, as the case may be. Any such redemption (i) must relate to 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 or (ii) may be made at its Optional Redemption Amount as specified in the relevant Final Terms together with any interest accrued to the date fixed for redemption.

**Change of Control Put Option:**

If at any time while any of the Notes remains outstanding (A) a Change of Control occurs and (B) within the Restructuring Period (i) (if at the time of the Change of Control the Issuer and/or the Notes outstanding have a rating

from a Rating Agency) a Rating Downgrade in respect of that Change of Control occurs or (ii) (if at the time of the Change of Control the Issuer and/or the Notes outstanding do not have a rating from a Rating Agency) a Negative Rating Event in respect of that Change of Control occurs, each Noteholder will have the option (unless, prior to the giving of the Put Event Notice referred to below, the Issuer has given notice of any early redemption in respect of the Notes) to require the Issuer to redeem or, at the Issuer's option, procure the purchase of that Note on the Optional Redemption Date.

**Taxation:**

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes 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.

If French law should require that payments of principal, interest and other revenues in respect of any Note be subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain exceptions.

See “*Terms and Conditions of the Notes - Taxation*”.

**Interest Periods and Rates of Interest:**

Notes may be interest bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate.

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, provided that in no event shall the rate of interest be less than zero. The use of interest 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.

**Fixed Rate Notes:**

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

**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 a notional interest rate swap transaction in the relevant Specified Currency pursuant to the 2013 FBF Master Agreement relating to transactions on forward financial instruments, 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 either the 2006 ISDA Definitions or the latest version of the 2021 ISDA Definitions, as specified in the relevant Final Terms, each as published by the International Swaps and Derivatives Association, Inc. (**ISDA**) (or any successor) on its website, or

- (iii) by reference to EURIBOR, SONIA or SOFR (or such other benchmark as may be specified in the relevant Final Terms) or, any successor rate or any alternative rate, in each case as adjusted for any applicable margin.

Interest periods will be specified in the relevant Final Terms.

Where Linear Interpolation is specified in the relevant Final Terms in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by straight line linear interpolation by reference to two rates based on the relevant FBF Rate, the relevant Reference Rate or the relevant Floating Rate Option, as the case may be.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both, provided that in no event shall the rate of interest be less than zero.

<b>Fixed/Floating Rate Notes:</b>	Fixed/Floating Rate Notes may bear interest at a rate that, on the Switch Date (i) the Issuer may elect to convert from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) will automatically change from a Fixed Rate to a Floating Rate or from a Floating Rate to a Fixed Rate, as specified in the relevant Final Terms.
<b>Zero Coupon Notes:</b>	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
<b>Benchmark Discontinuation:</b>	In the event that a Benchmark Event occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the original benchmark or screen rate (as applicable) specified in the relevant Final Terms, then the Issuer shall use its reasonable endeavours to appoint an independent adviser to determine a successor or an alternative benchmark and/or screen rate (with consequent amendment to the terms of such Series of Notes and the potential application of an adjustment spread) as provided in Condition 5(c)(iii)(E) ( <i>Benchmark Discontinuation</i> ).
<b>Redenomination:</b>	Notes denominated in the currency of a country that subsequently participates in the third stage of the European Economic and Monetary Union may be subject to redenomination, renominalisation and/or consolidation with other Notes denominated in euro, all as more fully provided in “ <i>Terms and Conditions of the Notes - Form, Denomination(s), Title and Redenomination</i> ” below.
<b>Consolidation:</b>	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> ”.
<b>Form of Notes:</b>	Notes shall be issued in dematerialised form.  The Notes may, at the option of the Issuer, be issued in bearer form ( <i>au porteur</i> ) or in registered form ( <i>au nominatif</i> ) and, in such latter case, at the option of the relevant Noteholder, either in fully registered form ( <i>au nominatif pur</i> ) or administered registered form ( <i>au nominatif administré</i> ). No physical documents of title will be issued in respect of the Notes. See “ <i>Terms and Conditions of the Notes - Form, Denomination(s), Title and Redenomination</i> ”.
<b>Governing Law:</b>	French law.

<b>Jurisdiction</b>	Any claim against the Issuer in connection with any Notes may be brought before any competent court located within the jurisdiction of the registered office of the Issuer.
<b>Clearing Systems:</b>	Euroclear France as central depository in relation to the Notes.
<b>Initial Delivery of the Notes:</b>	Not later than one (1) Paris business day before the issue date of each Tranche of Notes, the <i>lettre comptable</i> or the application form, as the case may be, relating to such Tranche of Notes shall be deposited with Euroclear France as central depository.
<b>Issue Price:</b>	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The Issue Price of the Notes will be specified in the relevant Final Terms.
<b>Listing and admission to Trading:</b>	Listing and admission to trading on Euronext Paris or other Regulated Markets as may be specified in the relevant Final Terms. A Series of Notes may not be admitted to trading or may be unlisted.
<b>No offer to retail investors:</b>	The Notes shall not be offered to retail investors in France and/or in any Member State of the EEA or in the United Kingdom.
<b>Method of Publication of this Base Prospectus and the Final Terms:</b>	This Base Prospectus, any documents incorporated by reference, any supplement thereto (if any) and the Final Terms related to the Notes admitted to trading on any Regulated Market in the EEA will be published, as the case may be, on the website of the AMF ( <a href="http://www.amf-france.org">www.amf-france.org</a> ) and on the website of the Issuer ( <a href="http://www.arval.com/investors">www.arval.com/investors</a> ) and copies may be obtained on request without charge at the registered office of the Issuer. The Final Terms will indicate where the Base Prospectus may be obtained.
<b>Rating:</b>	Arval's long-term credit rating are A/ Stable outlook by Fitch Ratings Ireland Limited (" <b>Fitch</b> ") and A-/Stable outlook by S&P Global Ratings Europe Limited (" <b>S&amp;P</b> "). Each of Fitch and S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 on credit rating agencies, as amended (the " <b>CRA Regulation</b> "). Each of Fitch and S&P 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 ( <a href="https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation">https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation</a> ) in accordance with such regulation. Notes issued pursuant to the Programme may be unrated or rated differently from the current ratings of the Issuer. The rating of the Notes, if any, will be specified in the relevant Final Terms. 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.
<b>Selling Restrictions:</b>	There are restrictions on the offers and sale of Notes and the distribution of offering material in various jurisdictions. See " <i>Subscription and Sale</i> ".  The Issuer is Category 2 for the purposes of Regulation S under the Securities Act. The rules of the United States Tax Equity and Fiscal Responsibility Act of 1982 do not apply to the Notes.

## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes and may be material for the purpose of assessing the market risks associated with Notes issued under the Programme. All of these factors are contingencies which may or may not occur.*

*Factors which the Issuer believes are specific to the Issuer or the Arval Group and/or the Notes and material for an informed investment decision with respect to investing in Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below and in the documents incorporated by reference represent the principal inherent risks 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.*

*Prospective purchasers of Notes should also, in light of their financial circumstances and investment objectives, read the detailed information set out elsewhere in this Base Prospectus (including the relevant sections of any documents incorporated by reference herein) and reach their own views prior to making any investment decision. Investors should in particular conduct their own analysis and evaluation of the risks relating to the Issuer, its financial condition and the Notes.*

*In each sub-category below the Issuer sets out first the most material risk, in its assessment, taking into account the expected magnitude of their negative impact and the probability of their occurrence.*

*Words and expressions defined in the “Terms and Conditions of the Notes” below or elsewhere in the Base Prospectus have the same meanings in this section. In this section, reference to a “Condition” is a reference to the numbered paragraphs in the “Terms and Conditions of the Notes”, unless otherwise specified.*

### **I RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**

The Issuer is the parent company of Arval Group and combines both (i) business operations in full-service vehicle leasing and mobility solutions in the French territory<sup>1</sup>, and (ii) a holding activity consisting of the holding of stakes in its consolidated subsidiaries taken as a whole and other ancillary activities. The risk factors presented below have therefore been assessed, where relevant, at the level of the Issuer as an operating entity or at Arval Group’s level.

#### **A. Risks related to the Issuer’s business activity**

##### ***Risks linked to residual value of leased vehicles***

As a specialist in full service vehicle leasing, the Issuer’s gross operating income (“GOI”) is well diversified with a lease contract margin (that represents 41.5 per cent. of the Issuer’s GOI at the end of December 2021, 29.3% at the end of December 2022 and 24.0% at the end of June 2023), a service margin (including various types of services and insurance) (that represents 37.2 per cent. of the Issuer’s GOI at the end of December 2021, 25.5% at the end of December 2022 and 25.2% at the end of June 2023) and a used car margin (that represents 21.3 per cent. of the Issuer’s GOI at the end of December 2021, 45.3% at the end of December 2022 and 50.8% at the end of June 2023). With respect to the used car margin, the Issuer retains the residual value risk on its leased vehicles and sells vehicles returned by its clients at the end of the lease, at a profit or loss. Gross operating profit from such vehicle sales totalled EUR 370 million in 2021, EUR 1130 million in 2022 and EUR 789 million in the first half of 2023. However, the Issuer may

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<sup>1</sup> Including French overseas territories, where the Issuer is present in Martinique and Réunion.

be unable to sell its used vehicles at desirable prices, and faces risks related to the residual value of its vehicles in connection with such disposals. The Issuer is exposed to a potential loss in a financial year from (i) resale of vehicles related to leases, which expire during the period whose resale value is lower than their net carrying amount and (ii) additional impairment during the lease period if residual value drops below contractual residual value.

The proceeds invoiced upon the sale of a used vehicle and the risk of such proceeds being less than the book value of such vehicle as at the contractual end date may depend on a number of factors, which may be outside the Issuer's control. Profit from future sales and estimated losses, and consequently the risk of such sales proceeds being less than the contractual residual value, are impacted by internal remarketing performance and external factors such as macroeconomic conditions, government policies, tax and environmental regulations, emission values and fuel prices, consumer choices, consumer confidence, new vehicle prices, new vehicle sales, new vehicle brand images or marketing programs, the actual or perceived quality, safety or reliability of vehicles, the level of current used vehicle values, etc.

Technological change can also create uncertainties as to the future value of vehicles. Some technologies can become less desirable if vehicle performance or regulations change. An example observed 3 years ago is the impact on diesel used car prices following the DieselGate and the ban of diesel cars in some areas and in large cities. At that time the impact on diesel used car prices was estimated at EUR three hundred (300) per car with the rateable value of EUR ten thousand (10,000) in average, which constitutes three (3%) per cent. An action plan was set up in 2017 to compensate the effect of the diesel crisis, mainly based on: remarketing initiatives, fleet booster and insurance initiatives, and also through new products launch and productivity gains. Since 2017, a strong attention has also been put on transforming the car mix in the new production (cars entering the fleet) which allowed to reduce the diesel share from 90% to 44% in 2021, 36% in 2022 and 33% in the first nine months of 2023.

Any of the factors above that may reduce the leased vehicle sales proceeds could force the Issuer to reduce concurrently the estimated residual values of the leased vehicles in its fleet and cause a loss from increased prospective depreciation expenses or cause a loss on the sale of the vehicle on lease termination. Arval re-evaluates on a quarterly basis the future margin on used car sales. A decrease in the residual value of the Issuer's leased vehicles could have a material adverse effect on the Issuer's business, financial position and results of operations.

#### ***Risks linked to adverse developments in the automotive industry***

General developments in the automotive industry are important for the Issuer, due to their effects on the terms and conditions (including price levels) for purchasing, servicing and eventually reselling its vehicles, which in turn could impact the demand for, and pricing of, the Issuer's services. These could influence both the purchase prices of vehicles and the resale prices of used vehicles.

The Issuer is dependent on developments in automotive trends and technology changes, which are subject to a variety of factors that it cannot influence. These include, for example, the evolution of oil prices and renewable energy prices and infrastructure, the expansion of public transport infrastructure, availability of popular electric vehicle models, new technologies such as autonomous driving software, urban policies adversely affecting personal car use, changes in government policies affecting diesel vehicles in Europe or other markets in which the Issuer operates, the imposition of carbon taxes and other regulatory measures to address climate change, pollution or other negative impacts of mass transport, the development of alternative transportation means in the city (bikes, scooters, etc.). A negative development of these factors may affect the use of vehicles in general and therefore the business of the Issuer. Current shortage of semi-conductors worldwide has a negative impact on delivery time by car manufacturers. This could result in a lower than expected fleet growth.

Market consolidation or down-sizing or liquidations of individual car manufacturers could also materially affect the availability of certain vehicles and the bargaining power of the Issuer when negotiating competitive prices for the vehicles it purchases to satisfy the Issuer's customer needs.

The Issuer is subject to risks related to the climate change and pollution concerns, together with evolutions in the environmental regulation. Legal requirements relating to environmental protection are growing in importance in the European Union and in other regions of the world. In recent years, some car manufacturers have been accused of manipulating emission levels. Such scandals may induce stricter regulations, influence customer purchasing decisions and the market prices of certain affected vehicle models. Emission scandals in the past or future could potentially negatively affect the market prices of certain of its used vehicles (including diesel powered vehicles) and have other adverse effects on the business of the Issuer. In 2022, 36% of vehicles registered in full service leasing were Diesel (44% in 2021 and 33% in the first nine months of 2023).

This evolution also impacted the transition to a lower-carbon economy. Given the nature of its business, the risks the Issuer faces are linked to its transition from internal combustion engines vehicles in the Issuer's fleet to low and zero emission alternatives. Such transition could impact aspects of the Issuer's business model where internal combustion engines vehicles represented 84% of its fleets at the end of December 2021, 77% at the end of December 2022 and 73% at the end of September 2023, which is why the Issuer aims to reduce the share of the latter in its portfolio and promote green alternatives. In some cases, the profitability of parts of the Issuer's value chain could be adversely affected.

The Issuer has set-up an Energy Transition Plan which set target in terms of decrease diesel share in production together with increasing electric vehicles (“EV”) share. The Issuer has also developed consulting approach for its clients in order to support them in the choice of the right structure of their fleet, depending of their drivers’ usage, the total cost of ownership of the vehicles and their objectives in terms of reducing pollution and CO2 emissions.

Finally, prices for petroleum-based products, which include petrol, diesel and tyres, have experienced major volatility in the past. If oil prices were to recover and return to higher levels, automotive travel patterns might be adversely affected in many ways. Significant increases in fuel prices could significantly discourage customers from using leased vehicles and this could have an adverse effect on demand for the leased vehicles offered by the Issuer.

The materialisation of any of the risks described above could materially alter the existing business practices, financial condition and results of operations of the Issuer.

#### ***The Issuer faces risks related to its motor insurance business***

The Issuer is, amongst others, exposed to third-party liability claims (which include personal injury, death and property damage), motor material damage claims, passenger indemnity and legal assistance claims through Greenval Insurance DAC (“Greenval”), an insurance company based in Ireland and working exclusively for Arval since its creation in 2007, which has been acquired by Arval from BNP

Paribas Ireland in December 2020. On the basis of the half year 2023 consolidated profit and loss account, Greenval represented 1.7% of the gross operating income of the Arval Group at 30 June 2023.

Greenval provides insurance to Arval Group companies and their customers for third-party liability (58% of Greenval Gross Written Premium or “GWP”), motor own damage (34% of Greenval GWP), and other various covers (8% of GWP) as passengers & driver indemnity, legal assistance risks in relation to vehicle leasing and fleet management. In order to limit the financial impact of a single accident or event, Greenval purchases external reinsurance covers with a panel of large highly solvent reinsurer companies, on an excess of loss basis for two principal risks, motor third-party liability and catastrophic events. However, the Issuer and Greenval remain partly exposed to large claims and insufficient premiums to cover their risk exposure. In some cases, Arval Group companies may keep the material damages risk occurring to the lease vehicle which can result in losses in the event of high vehicle repairs costs.

Arval Group is active in a complex and changing legal and regulatory environment related to insurance which could affect its insurance products distribution in case of evolving regulation.

As of 31 December 2022, Greenval is directly operating under Freedom of Service (“FOS”) in 14 European Union countries to provide insurance coverage to Arval Group companies and their customers in these markets. Greenval is also acting as a reinsurer in eight other European countries. There are two countries where it operates both under FOS and a reinsurer.

In some cases, the Issuer may face uninsured liability for fleet damage or theft or natural events at levels significantly in excess of historical levels which may adversely affect the Issuer’s revenues and profitability.

#### ***Risks linked to maintenance services and tyres***

The leasing contracts entered into by the Issuer provide estimates regarding the preventive and curative maintenance, tyre change costs, body repair, roadside assistance, etc. Costs of maintenance, tyres, body repair and glasses represented altogether about EUR 1.47 billion in 2022 and EUR 0.81 billion in the first half of 2023. However, the actual costs of maintenance incurred during the contract life may be greater than the costs forecasted and included in the quotation at the beginning of the contract.

Maintenance pricing setting is done locally using scores calibrated on local historical statistics. A global review of the maintenance margins is carried out for each of the thirty (30) countries<sup>2</sup> in which the Arval Group operates on a regular basis in order to backtest the pricing assumptions in terms of costs and frequencies and to make the necessary adjustments if maintenance and tyre costs are higher in the latter part than in the first part of a contract’s life.

The costs described above may be influenced by a number of factors that include, extension of maintenance to services not initially included, maintenance frequency higher than initial assumptions (poor evaluation, type of usage on the part of customers), price of supplies needed for maintenance of vehicles higher than initially estimated, labour cost higher than initially estimated.

The Issuer’s pricing structure and assumptions regarding the future maintenance and repair costs and tyre costs of the vehicles in its fleet over the term of the lease may prove to be inaccurate. As most of the Issuer’s leases are on a fixed-fee basis, the Issuer may not be able to pass on the increased prices to its existing customers, which may in turn result in reduced margin or losses on the relevant leasing contracts. The Issuer may not be able to recover the unbudgeted costs and this could have an adverse impact on the Issuer’s financial condition and results of operations.

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<sup>2</sup> Arval Group entities propose their leasing services in 30 countries. Arval Group is also present in Ireland where the insurance company Greenval is incorporated.

### ***Dependence on third-party providers***

The Arval Group may distribute vehicle leasing services either in the “direct channel” or “indirect channel”. These indirect contractual arrangements accounted for 27% of the total fleet in full service leasing (including private lease contracts) of the Arval Group at 31 December 2022 and at 30 June 2023 (out of which 11% are constituted by contractual arrangements concluded with external partners and 16% by contractual arrangements with BNP Group).

- External bank: in particular, the leasing activities of one European subsidiary of the Issuer are partly based on contractual relationships with an external bank acting as intermediary in the distribution of vehicle leasing contracts and, as this contractual arrangements accounted for 4% of the total fleet (including private lease contracts) of Arval Group at 31 December 2022 and also 4% at 30 June 2023, Arval Group may face a temporary decrease of its total fleet upon termination by such counterparty of these contractual arrangements.
- Car manufacturers and dealers: the Issuer also depends on car manufacturers and dealers for the supply of attractive vehicle models on competitive terms, in sufficient quantities, with satisfactory quality and on a timeline compatible with its business model (during the year 2022, Arval Group have registered 348,075 new vehicles and 225,852 on the first half of 2023) and for maintenance and spare parts. Arval Group entities also rely on other suppliers of aftersales service. In addition, the Issuer’s vehicles and their components or equipment may become subject to recalls by their manufacturers or by governments, which would negatively impact its business.
- Other suppliers: the Issuer also depends on short-term rental companies in order to propose replacement vehicles to its long-term leasing customers. Arval Group is working in this respect with several short-term rental operators that enable some flexibility towards the client. During the year 2022, Arval Group have paid 109 million of euros of short term rental costs. It paid 63 million of euros of short term rental costs in the first half of 2023. Therefore, the Issuer could be negatively impacted in circumstances where such companies would not be able to continue providing short-term rental services to the Issuer. It should be noted however that relief vehicles may also be provided by Arval third party suppliers under roadside assistance contracts.

The Issuer uses partners for maintenance, towing or the supply of replacement vehicles. This situation creates sometimes situation of dependency which may generate pricing risks, and the quality of service and quality of the customer management may be deteriorated, which could have an adverse impact on the Issuer’s reputation, financial condition and results of operations.

### **B. Credit risks**

#### ***The Issuer is exposed to credit risk from customers who may default in respect of their payment obligations***

The credit risk is the risk of loss resulting from the inability of customers or contractual counterparties of the Issuer to meet the financial commitments in their contracts. This includes the risk of a default on lease payments and accounts receivable due to the Issuer.

The Issuer credit risk depends heavily on:

- the concentration and risk profile of its customers: the Issuer’s portfolio is not concentrated per client: Top 10 large corporate clients (other than BNP Group (being BNP Paribas together with its consolidated subsidiaries, the “**BNP Group**”)) represent only 8.3% of the total exposure at 30 June 2023. Top 20 large corporate clients represent 13.6% of total exposure at 30 June 2023;
- the geographical and industry segmentation of its credit exposure: the Issuer’s portfolio is well diversified by industry:

- No large industry segment exceeds fourteen point one (14.1%) per cent of the portfolio at 30 June 2023;
- Very sensitive industries to macro-economic uncertainty due to war in Ukraine represent a very small part of the portfolio: air transportation, automotive suppliers, road transport and agriculture all together account for around 3.9 per cent of the portfolio at 30 June 2023;
- Automotive segment represents two point two (2.2%) per cent at 30 June 2023;
- the nature of this credit exposure and the quality of its leased vehicles portfolio: the Issuer's client portfolio has a good credit profile with the investment grade part at fifty-six (56%) per cent at 30 June 2023 (55% at 31 December 2022). One third of the portfolio is the equivalent of a "BB" credit rating, which let only a small part (five point one (5.1%) per cent) rated "B" and below. The Issuer applies the global rating policy of BNP Group, adopts systematically BNP Paribas ratings for shared clients with BNP Paribas and achieves systematically annual internal rating review;
- economic factors may influence customers' capacity to make scheduled payments, including business failures, corporate debt levels and debt service burdens and demand for the products and services of its customers. For instance, during the global economic crisis in 2008 and 2009, the Issuer briefly experienced moderately higher default rates from corporate and small and medium sized enterprises. Since 2016, the cost of risk has remained below 23 bps annually (20 bps in 2019). It was 30 bps in 2020 in relation with Covid crisis. It was 15 bps in 2021, 19 bps in 2022 and 20 bps in the first half of 2023. The large share of B2B with large corporate clients let Issuer's business has an overall low credit risk (historically around 20 bps):
  - Corporate clients usually pay their rental even if they face difficulties as they need the vehicles for their activity. The cost of risk is low for this segment (around 10bps).
  - The Issuer remains owner of the vehicles and can get them back if the rental is not paid.
  - Credit risk is higher in the retail segment (between 40 and 50bps).
  - At the end of December 2022, annualized cost of risk amounted to 19 bps (15 bps in 2021 and 20 bps in the first half of 2023).

At 30 June 2023, the Issuer receivables with customers and financial institutions was EUR 244.1 million. At this same date, the Issuer had EUR 46.3 million in allowances for impairment concerning trade receivables, thus net receivables of EUR 197.8 million<sup>3</sup>.

While the Issuer generally has the ability to recover and resell leased vehicles following a customer default, the resale value of the recovered vehicles may not be adequate to cover its loss as a result of a default. The Issuer may not be able to resell the relevant vehicle at all which could have an adverse impact on the Issuer's results of operations.

***Arval Group is exposed to credit risk from its counterparties on its investment portfolio instruments and reinsurance contracts***

Greenval, the fully owned insurance subsidiary of Arval, enters into reinsurance agreements with ten reinsurers with respect to third-party liability and natural catastrophic events, ceded premiums to reinsurers representing circa 5% of Greenval GWP. Its reinsurance agreements and investment portfolio holdings arrangements expose Greenval to credit risk in the event of a default of its counterparties. It is therefore possible that Greenval could suffer losses because of its counterparty exposures and such losses could have a material adverse effect on its revenues, reserves and profit. Risk impact on the Greenval investment portfolio on a single (non BNP Group) counterparty/issuer is limited by Greenval investment

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<sup>3</sup> Arval's unaudited non-consolidated accounts.

policy at 10% of the investments held in the technical reserves portfolio. Greenval solvency margin cover was 201% in the first quarter of 2023 going to 149% in the first half of 2023 following the payment of its annual dividend (it was 192% at fourth quarter 2022 and 169% at third quarter 2022).

### **C. Strategic risks**

#### ***Risks linked to the Issuer's competitiveness and strategy***

The Issuer is exposed to a risk related to its competitive and strategic environment, which is a risk including loss of clients, volumes of activity, or revenues resulting from the inability to maintain its competitive position or to carry out its strategy.

Intense competition from a variety of competitors: The Issuer operates in a competitive industry characterized by consolidation in a number of its core markets, particularly in the more mature European markets. On a global scale, the full-service leasing market remains fragmented, with few players providing global coverage. The Issuer's key competitors are the ALD group, LeasePlan and Alphabet, which are international multi-brand leasing companies operating in the same geographies as the Issuer. Arval Group is a European leader in the multibrand full service leasing market. At the end of December 2022, Arval Group's full service leasing fleet reached 1,592 thousand vehicles (1,470 thousand vehicles as at 31 December 2021 and 1,668 thousand vehicles as at 30 September 2023), to be compared with 1,464 thousand vehicles for ALD as at 31 December 2022 (1,427 thousand vehicles as at 31 December 2021<sup>4</sup>) and to 1,253 thousand vehicles estimated for LeasePlan as at 31 December 2022 (1,316 thousand vehicles estimated as at 31 December 2021)<sup>5</sup>. On 6 January 2022, ALD announced the signing of a Memorandum of Understanding to acquire 100% of LeasePlan. The closing of the transaction took place on 22 May 2023 and resulted in the creation of the leader in multi brand full service leasing, "ALD | LeasePlan" which took the name of Ayvens. The fleet of Ayvens as at 30 September 2023 reached 2,691 thousand vehicles<sup>6</sup>. Alphabet reported 715 thousand fleet contracts at the end of December 2022 and 716 thousand fleet contracts as at 30 September 2023 (696 thousand fleet contracts at the end of 2021)<sup>7</sup>.

The Issuer's principal competitors are, at the global level, international independent operators, bank affiliates and car manufacturer captives. In addition, in certain markets, the Issuer may be in competition with local players.

Pressure on the prices charged for its services: The Issuer's competitors, some of whom belong to group held by car manufacturers or banks that may have access to substantial funding at a low cost, may seek to compete aggressively on the basis of pricing, particularly with the consolidation of main players. Further, the Issuer may be required by customers to match competitors' downward pricing either to maintain or gain market share, which may adversely affect the margins that can be achieved and the results of operations of the Issuer. If the Issuer's prices are too far from those of its competitors, it may lose customers and/or business volume.

Continuous development of new services: In addition, the Issuer's positioning is dependent on its ability to meet customers' expectations *i.e.* its ability to continuously improve its existing range of products and services and to develop new products, services, systems and software that meet the evolving needs of its customers. Technological advancements may lead to changes in customer behaviour, especially in relation to mobility patterns, which may require the Issuer to make substantial investments in order to stay abreast of such developments; technological advancements may also result in car manufacturers offering mobility solutions on the basis of self-driving vehicles, thereby circumventing vehicle rental

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<sup>4</sup>ALD Q4-2022 and Q4-2021 results press release.

<sup>5</sup> LeasePlan Q4-2022 and Q4-2021 results press release and Arval's own estimation.

<sup>6</sup> Ayvens Q3-2023 results

<sup>7</sup>BMW Half year report – 2023; BMW 2022 annual report and BMW 2021 annual report

and leasing providers and increasing competition in the vehicle rental and leasing industry. Therefore, the Issuer may be unable to compete successfully or competition may increase in the businesses in which it operates, which may affect the Issuer's business, financial position or results of operations.

Also, the Issuer intends to develop its business and its growth ambitions involve expansion into selective segments, such as increasing penetration of the retail segment, development in specific geographical areas, which has a higher cost of risk than the corporate one.

Arval Group strategic objectives are detailed in the "Arval Beyond" plan launched to target these new objectives for the years 2020-2025. Arval Beyond strategic plan is a roadmap for the Arval Group between now and 2025 with the following targets:

- Arval's growth and financial performance through in particular reaching 2 million leased cars worldwide;
- Arval's CSR & Energy Transition resulting in 700,000 electrified vehicles in its fleet, 35% reduction in CO2 emissions vs. 2020, and Arval remaining a carbon neutral company;
- A business model, covering a wider mobility concept including the car;
- The percentage of the women's share in Arval's COMEX being 40%.

Any future recession could have a material adverse impact on the execution of the Issuer's growth strategy, however if the Issuer is unable to develop into these new markets, to expand into new areas or with new categories of customers, and fails to successfully implement its strategy or if it does not yield the expected results, this could have a material adverse effect on its business, financial condition, revenues, reputation, and results of operations.

#### **D. Operational risks**

##### ***Risks linked to the Issuer's IT systems***

The Issuer relies on internal and external information and technological systems to manage its operations and is dependent on the smooth functioning of its software systems, websites and mobile applications, and on its ability to continue to adapt them to future technological developments. The Issuer is exposed to risk of loss resulting from breaches of security, system or control failures, inadequate or failed processes, human error, business interruptions and external events. The Issuer's ability to provide reliable services, competitive pricing and accurate and timely reporting for its customers depends on the efficient operation and user-friendly design of its back-office platforms, internal software, websites and mobile applications as well as services provided by third-party providers. The Issuer uses BNP Paribas datacenters and also has outsourcing arrangements with a number of third parties and into a number of countries, notably in respect of IT and back office activity.

IT risks may imply loss of the Issuer's capacity to maintain and improve the responsiveness, features and characteristics of its technologies and information systems, the widespread adoption of new web, networking or telecommunications technologies or other technological changes could require substantial expenditures to modify or upgrade the Issuer's websites and mobile applications, in order to continue to compete.

Any disruption of its servicing activity, due to inability to access or accurately maintain the Issuer's account records or otherwise, could have a material adverse impact on the Issuer's ability to collect on those receivables and/or satisfy its customers. In addition, any failure of sub-contractors to deliver their services in compliance with applicable laws and regulations and at an adequate level could affect the Issuer's business, financial position, and reputation.

IT systems are core resource of the Issuer as they support business processes in the day to day operations both in the context of its relations with customers, retail and corporate, and with suppliers or commercial

partners. The use of the Internet and mobile services as an independent and cost-efficient sales and communications channel of the Issuer could be affected by a number of associated risks, *e.g.* uncertainties in respect of the protection of intellectual property or the registered domains, possible violation of data protection provisions relating to the safeguarding of customer related personal information, the dependence on technological conditions, system failures, fraud, virus and spyware, which could have a material adverse impact on the business, financial condition, operating results of the Issuer. In addition, new offers providing highly connected leasing services and new digitalized services may increase such IT risks.

For its information technology infrastructure the Issuer is partially dependent on BNP Paribas, which provides network connectivity, security environment and datacenter capabilities, support under the terms of a services agreement. BNP Paribas's inability to provide the service may affect the activity of the Issuer and potentially result in financial losses or reputational damages. This also may come from external IT infrastructure suppliers. As an example, an IT outage in 2019 linked to an external equipment supplier temporarily affected Arval Group entities' ability to access to data or to run some tasks. It is considered that a serious IT incident could result in losses up to 5 million euros depending of course on the importance of such incident.

#### ***Risks linked to disruption to or cyberattacks on the Issuer's information technology systems***

The Issuer is exposed to the risk of disruption of its information technology systems and cybercrime attacks by employees or third parties. System malfunctions and faults in the computer systems, hardware and software, including server failures or possible attacks from the outside, for instance attacks originating from criminal hackers or computer viruses create the risk that IT services will not be available. Due to its digitalized business, and in particular, the constant increase in vehicle connectivity, the Issuer is exposed to cyberattacks, which may target the Issuer, its customers and partners. Such threats may for example target data theft and are intensified by the introduction of new technologies.

Any system malfunction, unauthorized usage, or cybersecurity attack that results in the publication of the Issuer's trade secrets or other confidential business and client information, such as information or personal data leaks, could negatively affect the Issuer's competitive position or the value of its investments in its products or its research and development efforts, and expose it to legal liability.

This liability could include penalties imposed by any relevant competent authority, claims from its commercial partners, impersonation or other similar fraud claims as well as for other misuses of personal information, including unauthorised marketing purposes, and any of these claims could result in litigation.

Any of these events could materially and adversely affect the Issuer's ability to conduct its business operations, increase its risk of loss resulting from disruptions of operating procedures, cause the Issuer to incur important information verification costs, and potentially result in financial losses or reputational damages.

#### ***Risks linked to the conflict in Ukraine***

Arval Group has no activity in Ukraine. With regard to Russia, which is subject to severe economic sanctions imposed notably by the European Union, the USA and the UK, Arval Service Lease owns a subsidiary which represents 0.4% of its fleet (14,400 vehicles at the end of 2021, 10,760 vehicles as at 31 December 2022 and 7,307 vehicles as at 30 June 2023). The shareholder equity of Arval Russia was 30 million euros at the end of 2021<sup>8</sup>, 101.5 million euros as at 31 December 2022 and 99.8 million euros as at 30 June 2023. The assets of Arval Russia are financed through resources in Ruble and with the same

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<sup>8</sup> Arval's audited statutory accounts.

maturity as the contracts signed with the clients which are for the vast majority of them subsidiaries of large international groups.

In addition, some customers or counterparties of the Arval Group have activities in Ukraine and in Russia and could see their financial position weakened by the conflict and its consequences.

The Arval Group is closely monitoring developments in the situation in conjunction with the authorities concerned and with the BNP Paribas Group.

## **E. Legal risks**

### ***Risks linked to changes in laws and regulations***

Due to its worldwide presence in thirty (30) countries, Arval Group is active in a complex legal, regulatory, and fiscal environment and subject to a wide range of laws and regulations, treaties or other arrangements between or among the countries in which it operates. On top of differences of understanding linked to local legislations, the operational entities are subject to various regulations, notably those relating to the sale and distribution of insurance products, personal data protection, competition law, tax regulations and consumer law, with the development of private lease. This risk is all the more significant since the phenomenon of legislative and regulatory inflation makes the environment less and less stable. A failure to comply with the laws and regulations applicable to Arval Group may result in fine and penalties and could materially impact its reputation, business, financial position and prospects.

In the course of its business, the Issuer is required to collect, process, handle or store confidential information or personal data. In this respect, the Issuer continues to adapt to the requirements of the European Union General Data Protection Regulation (“**GDPR**”) (notably in the context of connected cars, mobile application to assist drivers, collect of client consent, cookies policy etc.). Although the Issuer (i) has a Chief Data Officer (CDO) network, a Data Protection Officer (DPO) network and data protection lawyers, (ii) drafts and implements GDPR compliance procedures and processes, and (iii) is regularly updating data subjects information notices, documentation and (client and supplier) agreements in respect of GDPR requirements, failure to comply with the requirements of the GDPR could have an adverse impact on the Issuer’s financial position and reputation.

## **F. Market Risks**

### ***Liquidity risks***

The Issuer’s ongoing operations, expansion, and growth ambitions require access to significant amounts of funding. The Issuer is therefore exposed to liquidity risk, which is the risk of not being able to meet cash flow requirements when they fall due and at a reasonable price due to insufficient liquidity, for instance, to finance new vehicle purchases for lease contracts. A structural liquidity position is derived from the maturities of all outstanding balance sheet or off-balance sheet positions according to their liquidity profile.

The Issuer remains dependent for the financing of its development on BNP Paribas, which brings close to 70% of the Issuer’s funding needs.

The risk of not accessing existing or new sources of funds, in sufficient quantity, on favourable terms, or at a satisfactory price, may lead to insufficient liquidity, which would have a material adverse impact on the Issuer’s business, liquidity, cash flows, financial condition and results of operations.

### ***Interest and exchange rate risk***

Arval Group is marginally exposed to interest rate risk. Arval Group’s policy consists in financing the underlying assets with fixed rate loans as lease contracts are mostly priced at fixed rates, in order to avoid any mismatch between assets and liabilities. There can be however a residual discrepancy (surplus or

deficit) in the forecast fixed rates position of each entity. Arval Group calculates periodically interest rate sensitivity and sensitivity limits are assessed for each entity. Although the Issuer monitors its interest rate risk using a methodology common to Arval Group, risk hedging may not always be appropriate and changes in interest rates cannot be always predicted or hedged, which could adversely affect Arval Group's business, financial condition and operating results.

Arval Group's exposure to a foreign exchange risk in countries outside the Euro zone relates to GBP (12% of funding), and other currencies (mainly in emerging markets) representing 12% of the total funding exposure.

Arval Group's functional and reporting currency is the Euro. However, Arval Group is present in thirty (30) countries<sup>9</sup>, some of which being countries outside the Euro zone, and has substantial assets, liabilities, revenues and costs denominated in foreign currencies. Due to its international activity, Arval Group is exposed to foreign exchange risks, such as high volatility of exchange rates, related to inflows and outflows of cash from daily business activities as well as participations in subsidiaries established outside the Euro zone. Currency risks related to current business activities are limited, as there are no cross-border leasing activities. Leasing contracts and financing of Arval Group are originated in local currencies preventing any cross border currency risk. Arval Group may also incur a currency risk related to the conversion of net results generated in local currencies. When Arval Group prepares its consolidated financial statements, it must translate foreign currency-denominated assets and liabilities, monetary and non-monetary, into Euro using the spot exchange rate at the balance sheet date. Income and expense items are translated at the average rate for the period. The Arval Group recorded a net foreign exchange loss of 3.9 million euros for 2022 (0.3 million euros in foreign exchange loss in 2021 and 2.1 million euros in foreign exchange loss in the first half of 2023).

Fluctuations in exchange rates could have a material effect on the Issuer's business, financial condition and results of operations, and could also significantly affect the comparability of Arval Group's results of operations between periods.

The greater volatility of the markets following the Covid-19 crisis has led to an increase in interest rate and exchange rate risks.

## **II RISKS RELATING TO THE NOTES**

### **A. RISKS APPLICABLE 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 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 for the purpose of adopting a restructuring plan. Classes shall be formed in such a way that each class comprises

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<sup>9</sup> Arval Group entities propose their leasing services in 30 countries. Arval Group is also present in Ireland where the insurance company Greenval is incorporated.

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 decision of each class is taken by a two-third (2/3rd) majority of the voting rights of the participating members, no quorum being required.

If the restructuring plan is not approved by all classes of affected parties, it can still be ratified by the court at the request of the Issuer or the receiver with the Issuer's consent and be imposed on dissenting classes through a cross-class cram down, under certain conditions.

For the avoidance of doubt, the provisions relating to the representation of Noteholders described in Condition 11 will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

The commencement of insolvency proceedings against the Issuer would have a material adverse effect on the market value of Notes. As a consequence, any decision taken by a class of affected parties, could negatively and significantly 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.

#### **Modification of the Terms and Conditions of the Notes and waivers**

Condition 11 contains provisions for collective decisions to consider matters affecting their interest generally to be adopted either through a general meeting (the “**General Meeting**”) or by consent following a written consultation (the “**Written Resolution**”). These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend or vote at the relevant General Meeting or did not consent to the Written Resolution and Noteholders who voted in a manner contrary to the majority. Collective decisions deliberate on proposals relating to the modification of the Terms and Conditions of the Notes subject to the limitation provided by French law and the Terms and Conditions of the Notes. 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°, 3°, 4° and 6° of the French *Code de commerce*, respectively providing for a prior approval by the General Meeting of the Noteholders (i) of any proposal to change in corporate purpose or form of the Issuer, (ii) of any proposal to merge or demerge the Issuer in the cases referred to in Articles L.236-14 and L.236-23 of the French *Code de commerce*, (iii) of any proposal to issue bonds benefiting from a security interest (*sûreté réelle*) which does not benefit to the Masse and (iv) of any proposal to relocate the Issuer’s registered office to another member State of the European Union to the extent the Issuer is incorporated as a *société européenne (societas europeas)* shall not apply to the Notes. As a result of these exclusions, the prior approval of the Noteholders will not have to be obtained on any such matters which may affect their interests generally.

#### **Credit Risk**

As contemplated in Condition 3, the Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer. An investment in the Notes involves taking credit risk on the Issuer. If the creditworthiness of the Issuer deteriorates, it may not be able to fulfil all or part of its payment obligations under the Notes, and investors may lose all or part of their investment.

## **B. RISKS RELATED TO A PARTICULAR ISSUE OF NOTES**

### **1. Early redemption risks**

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

The Issuer has the option, if so specified in the relevant Final Terms, to redeem the Notes under a Make-whole Redemption option as provided in Condition 6(b), a Residual Maturity Call Option as provided in Condition 6(c), a Clean-up Call Option as provided in Condition 6(d) or a Call Option as provided in Condition 6(e). In particular, with respect to the Clean-up Call Option by the Issuer, there is no obligation under the Terms and Conditions of the Notes for the Issuer to inform Noteholders if and when the threshold of 80% of the initial aggregate principal amount of a particular Series of Notes 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 the Clean-up Call Option, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

In addition, the Issuer may, and in certain circumstances shall, redeem the Notes in whole but not in part, further to the occurrence of certain withholding tax events described in Condition 6(j) and/or in case of illegality as described in Condition 6(m).

With respect to the Residual Maturity Call Option, if such option is specified as applicable in the relevant Final Terms, the Notes may be redeemed by the Issuer, in accordance with Condition 6(c) of the Terms and Condition of the Notes at any time as from (and including) the Residual Maturity Call Option Date (specified in the relevant Final Terms) until (but excluding) the Maturity Date.

Furthermore, the exercise of the Make-Whole Redemption option by the Issuer may be subject to certain refinancing conditions referred to in the notice published by the Issuer in connection thereto.

An optional redemption feature of Notes may have a significant impact on their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. As a consequence, the yields received upon redemption may be significantly lower than expected. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, a Noteholder may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. In addition, the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholders. These could have a material adverse effect on the Noteholders, who may lose all or a substantial part of the capital invested in the 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 financial impact on the Noteholders.

**The Make-whole Redemption by the Issuer, the Redemption at the Option of the Issuer, the Redemption at the Option of the Noteholders and the Change of Control Put Option are exercisable in whole or in part and exercise of such options by the Issuer or the Noteholders, as the case may be, in respect of certain Notes may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised**

The Make-whole Redemption by the Issuer provided in Condition 6(b), the Redemption at the Option of the Issuer provided in Condition 6(e), the Redemption at the Option of the Noteholders provided in Condition 6(g) and the Change of Control Put Option provided in Condition 6(h) are exercisable in whole or in part.

If the Issuer decides to redeem the Notes in part only, such partial redemption shall be effected by application of a pool factor (corresponding to a reduction of the nominal amount of all such Notes in proportion to the aggregate nominal amount redeemed). The Issuer could also be compelled to redeem the

Notes in part only if the Noteholders decide to exercise their Put Option (if specified in the relevant Final Terms), as provided in Condition 6(g) and/or their Change of Control Put Option if a Change of Control were to occur, as provided in Condition 6(h).

Depending on the proportion of the principal amount of all of the Notes so reduced, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid and Noteholders may lose part of their investment.

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

In accordance with Condition 6(h) and Condition 6(g), (i) the Noteholders are entitled to exercise a Change of Control Put Option in the event of a Change of Control and (ii) the Final Terms for a particular issue of Notes may provide for early redemption at the option of the Noteholders through the exercise of a Put Option. Exercise of a Put Option in respect of certain Notes may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised.

Depending on the number of Notes of the same Series in respect of which the Put Option provided in the relevant Final Terms or the Change of Control Put Option is exercised, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid, which shall in turn adversely impact those Noteholders from a financial point of view.

## **2. Interest rate risks**

### **Fixed Rate Notes**

As contemplated in Condition 5(b), the Issuer may issue Fixed Rate Notes bearing interest on its outstanding nominal amount from and including 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 or in advance 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. While the nominal interest rate of the Fixed Rate Notes is fixed during the term of such Notes, the current interest rate on the capital markets ("**market interest rate**") typically varies on a daily basis. As the market interest rate changes, the market value of the Fixed Rate Notes would typically change in the opposite direction. If the market interest rate increases, the market value of the Fixed Rate Notes would typically fall, until the yield of such Notes is approximately equal to the market interest rate. If the market interest rate falls, the market value of the Notes would typically increase, until the yield of such Notes is approximately equal to the market interest rate. The degree to which the market interest rate may vary presents a significant risk to the market value of the Fixed Rate Notes if a Noteholder were to dispose of such Notes.

### **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 (3) months or six (6) 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. A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the Final Terms provide for frequent interest payment dates,

investors are exposed to reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. In addition, the Issuer's ability to also issue Fixed Rate Notes may affect the market value and the secondary market (if any) of the Floating Rate Notes (and vice versa). Should the reference rate be at any time negative, it could, notwithstanding the existence of the relevant margin, result in the actual floating rate, consisting in the reference rate and the relevant margin, be lower than the relevant margin, provided that in no event will the relevant interest amount be less than zero. As a result, Noteholders may lose all or part of their investments in the Notes and therefore their interests may be significantly negatively altered.

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

As contemplated in Condition 5(d), the Fixed/Floating Rate Notes may bear interest at a rate that will automatically change, or that the Issuer may elect to convert, from a fixed rate to a floating rate or from a floating rate to a fixed rate on the date set out in the relevant Final Terms. The conversion of the interest rate (whether automatic or optional) will affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/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 rate is automatically converted from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes and any such volatility may have an adverse effect on the market value of the Notes.

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

### **Zero Coupon Notes and Notes issued at a substantial discount or premium**

As contemplated by Condition 5(e), the Issuer may issue Zero Coupon Notes. The market values of the Zero Coupon Notes, as well as other 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. Therefore, in similar market conditions, the holders of Zero Coupon Notes, as well as other securities issued at a substantial discount or premium from their principal amount, could be subject to higher losses on their investments than the holders of other instruments such as Fixed Rate Notes or Floating Rate Notes. Any such volatility may adversely affect the value of the Notes.

### **Reform and regulation of "benchmarks"**

In accordance with the provisions of Condition 5(c), the Rate of Interest in respect of the Floating Rate Notes or the Fixed/Floating Rate Notes, as the case may be, may be determined by reference to Reference Rates that constitute "benchmarks" for the purposes of Regulation (EU) 2016/1011, as amended (the "**Benchmarks Regulation**") published in the Official Journal of the EU on 29 June 2016 and applicable since 1 January 2018.

Interest rates and indices which are deemed to be "benchmarks" (including EURIBOR) are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, to be subject to revised calculation methods, 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".

The Benchmarks Regulation applies to the provisions of "benchmarks", the contribution of input data to a "benchmark" and the use of a "benchmark" within the EEA.

Notwithstanding the provisions of Condition 5(c)(iii)(E) (*Benchmark Discontinuation*), which seek to mitigate any adverse effects for the Noteholders, the Benchmarks Regulation could have a material adverse impact on any Notes linked to a rate or index deemed to be a “benchmark”, in particular:

- an index that is a "benchmark" may not be permitted to be used by a supervised entity (including the Issuer) in certain ways if its administrator does not obtain authorisation or registration or, if based in a non-EU jurisdiction, the administrator is not recognised as equivalent or recognised or endorsed and the transitional provisions do not apply; and
- if the methodology or other terms of the “benchmark” are changed in order to comply with the requirement of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing or increasing the rate or level or otherwise affecting the volatility of the published rate or level of the “benchmark” and as a consequence, Noteholders could lose part of their investment or receive less income than would have been the case without such change.

More broadly, any of the international or national reforms or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements.

Such factors may have the following effects on certain “benchmarks” (including EURIBOR): (i) discourage market participants from continuing to administer or contribute to certain “benchmarks”, (ii) trigger changes in the rules or methodologies used in certain “benchmarks”, or (iii) lead to the disappearance of certain “benchmarks”.

Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.

If a benchmark were discontinued or otherwise unavailable, the rate of interest on Notes which are linked to or which reference such benchmark will be determined for the relevant period by the fallback provisions applicable to such Notes - please refer to the risk factor entitled "The occurrence of a Benchmark Event could have a material adverse effect on the value of and return on any such Notes linked to or referencing such "benchmarks"" below). However, such fallback provisions may be deviated from if deemed unsuitable by the relevant national authority, as further explained below. Depending on the manner in which a benchmark rate is to be determined under the Terms and Conditions, this may in certain circumstances (i) if ISDA Determination or FBF Determination applies, result in the application of a backward-looking, risk-free overnight rate, whereas the relevant benchmark is expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when the benchmark was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Notes linked to or referencing a “benchmark”.

Regulation (EU) 2019/2089 of the European Parliament and of the Council of 27 November 2019 has amended the existing provisions of the Benchmarks Regulation by extending the transitional provisions applicable to material benchmarks and third-country benchmarks until the end of 2021. The existing provisions of the Benchmarks Regulation were further amended by Regulation (EU) 2021/168 of the European Parliament and of the Council of 10 February 2021 published in the Official Journal of the European Union on 12 February 2021 (the “**Amending Regulation**”).

The Amending Regulation introduces a harmonised approach to deal with the cessation or wind-down of certain benchmarks (such as EURIBOR) by conferring the power to designate a statutory replacement for certain benchmarks on the European Commission, such replacement being limited to contracts and financial instruments (such as certain Notes issued under the Programme) which contain no fallback provision or no suitable fallback provisions before the date of cessation of the benchmark concerned. These

provisions could have a negative impact on the value or liquidity of, and return on, certain Notes issued under the Programme linked to or referencing such benchmark and may not operate as intended at the relevant time or may perform differently from the discontinued or unavailable benchmark. However, there are still uncertainties as to the exact implementation of this provision pending the implementing acts taken by the European Commission. In addition, the transitional provisions applicable to third-country benchmarks have been extended until the end of 2025 by Commission Delegated Regulation (EU) 2023/2022 of 14 July 2023. The European Commission is empowered to further extend this period until the end of 2025, if necessary. Such developments may create uncertainty regarding any future legislative or regulatory requirements arising from the implementation of delegated regulations.

**The occurrence of a Benchmark Event could have a material adverse effect on the value of and return on any such Notes linked to or referencing such “benchmarks”**

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, Condition 5(c)(iii)(E) (*Benchmark Discontinuation*) provides for certain fallback arrangements in the event that a Benchmark Event occurs, including if an inter-bank offered rate (such as EURIBOR) or other relevant reference rate (which could include, without limitation, any mid-swap rate, but shall exclude SOFR and SONIA), and/or any page on which such benchmark may be published, becomes unavailable, or if the Issuer, the Calculation Agent, any Paying Agent or any other party responsible for the calculation of the Rate of Interest (as specified in the relevant Final Terms) are no longer permitted lawfully to calculate interest on any Notes by reference to such benchmark under the Benchmarks Regulation or otherwise.

Such fallback arrangements include the possibility that the rate of interest could be set by reference to a Successor Rate or an Alternative Rate (both as defined in Condition 5(c)(iii)(E)), with or without the application of an Adjustment Spread (which, if applied, could be positive or negative, and would be applied with a view to reducing or eliminating, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders arising out of the replacement of the relevant benchmark), and may include amendments to the Terms and Conditions of the Notes to ensure the proper operation of the successor or replacement benchmark, all as determined by the Independent Adviser and without the consent of the Noteholders.

In certain circumstances, including where no Independent Adviser has been appointed or no Successor Rate or Alternative Rate (as applicable) is determined or due to the uncertainty concerning the availability of Successor Rates and Alternative Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time. In all these circumstances other fallback rules might apply if the benchmark is discontinued or otherwise unavailable, which consist in the rate of interest for the last preceding Interest Accrual Period to be used for the following Interest Accrual Period(s), as set out in the risk factor above entitled “*Reform and regulation of “benchmarks”*”. This may result in the effective application of a fixed rate for Floating Rate Notes or the Fixed/Floating Rate Notes. Investors holding such Notes might incur costs from unwinding hedges. Moreover, in a rising interest rate environment, Noteholders will not benefit from any increase in rates.

Any such consequences could have a material adverse effect on the value of and return on any Notes and as a result, Noteholders may lose part of their investment.

Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or the Fixed/Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes or the Fixed/Floating Rate Notes. Investors should note that, the Independent Adviser will have discretion to adjust the relevant Successor Rate or Alternative Rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected commercial consequences and might not be favourable to each Noteholder.

The occurrence of a Benchmark Event could result in the loss of a portion of the principal amount invested in the relevant Floating Rate Notes or the Fixed/Floating Rate Notes.

**The market continues to develop in relation to risk free rates (including overnight rates) as reference rates for Floating Rate Notes or Fixed/Floating Rate Notes**

Condition 5(c) allows Notes referencing the Sterling Overnight Index Average (“**SONIA**”) or the Secured Overnight Financing Rates (“**SOFR**”) to be issued. Currently, the market continues to develop in relation to risk free rates, such as SONIA and SOFR, as reference rates in the capital markets for sterling or U.S. dollar bonds, as applicable, and their adoption as alternatives to the relevant interbank offered rates. The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Terms and Conditions and used in relation to Floating Rate Notes or Fixed/Floating Rate Notes, as the case may be, that reference a risk-free rate issued under this Base Prospectus. The Issuer may issue notes referencing SONIA or SOFR pursuant to Conditions 5(c)(iii)(C)IV., and 5(c)(iii)(C)V. of the Terms and Conditions of the Notes, in a way that differs materially in terms of interest determination when compared with any previous notes issued by the Issuer referencing SONIA or SOFR.

The nascent development of the use of SONIA or SOFR as interest reference rate for bond markets, as well as continued development of SONIA- or SOFR-based rates for such markets and of the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Notes. Interest on Notes which reference a risk-free rate is only capable of being determined shortly prior to the relevant Interest Payment Date.

In addition, as SONIA is published by the Bank of England and SOFR is published by the Federal Reserve Bank of New York, the Issuer has no control over their determination, calculation or publication. SONIA or SOFR may be discontinued or fundamentally altered in a manner that is materially adverse to the interests of Noteholders.

The mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of any Notes.

To the extent the SONIA or SOFR reference rate is discontinued or is no longer published as described in the Terms and Conditions, the applicable rate to be used to calculate the Rate of Interest on the Notes will be determined using the alternative methods described in the Condition 5(c)(iii)(C)IV or Condition 5(c)(iii)(C)V of the Terms and Conditions of the Notes. Such methods may result in interest payments that are lower than, or do not otherwise correlate over time with, the payment that would have been made on the Notes if the SONIA or SOFR reference rate had been provided by the Bank of England or the Federal Reserve Bank of New York, as relevant, in their current form. Accordingly, an investment in any such Floating Rate Notes or Fixed/Floating Rate Notes, as the case may be, may entail material risks not associated with similar investments in convention debt securities.

**Investors will not know in advance the interest amount payable on Notes which is calculated by reference to SONIA or SOFR**

The Rate of Interest in respect of the Notes may be calculated by reference to SONIA or SOFR. Because such rates are overnight funding rates, interest on Notes that reference such rates with Interest Accrual Periods longer than overnight will be calculated on the basis of:

- (a) in the case of SONIA, (i) the weighted average mean of SONIA over the relevant Observation Lookback Period in respect of an Interest Accrual Period or where SONIA is fixed for a certain number of days prior to the end of the relevant Interest Accrual Period, (ii) a compounded SONIA (x) in respect of the Interest Accrual Period, provided that the SONIA used as the basis for calculation is that which was published a specified number of days prior to the observation date

or (y) in respect of a period that starts a specified number of days prior to the relevant Interest Accrual Period and ends the same specified number of days prior to the end of such Interest Accrual Period, or

- (b) in the case of SOFR, (i) the arithmetic mean of SOFR over the relevant Interest Accrual Period, where the SOFR is fixed for a certain number of days prior to the end of such Interest Accrual Period, (ii) a compounded SOFR (x) in respect of the Interest Accrual Period, provided that the SOFR used as the basis for calculation is that which was published a specified number of days prior to the observation date or (y) in respect of a period that starts a specified number of days prior to the relevant Interest Accrual Period and ends the same specified number of days prior to the end of such Interest Accrual Period or (iii) calculated by reference to the SOFR Index published on the NY Federal Reserve's Website.

As a consequence of these calculation methods, the amount of interest payable on each interest payment date will only be known a short period of time prior to the relevant interest payment date. Investors therefore will not know in advance the interest amount which will be payable on such Notes and there is a possibility that such amount could be lower than expected.

**Any failure of SOFR to gain market acceptance could adversely affect holders of Notes that pay a floating rate of interest referencing SOFR**

Holders of Notes that pay a floating rate of interest that references SOFR are exposed to the risk that such rate may not be widely accepted in the market. The risk of this occurring is mitigated by the fact that SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to LIBOR in part because it is considered to be a good representation of general funding conditions in the overnight U.S. Treasury repo market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR to be a suitable substitute or successor for all of the purposes for which LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen its market acceptance. Any failure of SOFR to gain or maintain market acceptance could adversely affect the return on, value of and market for Notes that pay a floating rate of interest referencing SOFR.

**C. RISKS RELATING TO THE MARKET OF THE NOTES**

**Liquidity risks/Trading Market for the Notes**

Application may be made to list and admit any Series of Notes issued hereunder to trading on Euronext Paris and/or on any other Regulated Market or any other stock exchanges. The Notes may not have an established trading market when issued, and one may never develop. The absence of liquidity may have a material adverse effect on the value of the Notes.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as general economic conditions, the financial condition and/or, the creditworthiness of the Issuer and/or the Arval Group, and the value of any applicable reference rate, as well as other factors such as the complexity and volatility of the reference rate, the method of calculating the return to be paid in respect of such Notes, the time remaining to the maturity of the Notes, the outstanding amount of the Notes, any redemption features of the Notes, the performance of other instruments linked to the reference rates and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes. In addition, certain Notes may be designed for specific investment objectives or strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities.

Although in relation to Notes to be listed and admitted to trading on Euronext Paris, application to admission to trading will be subject to compliance with Euronext listing requirements. If an active market for the Notes does not develop or is not sustained, the market price or the market price and liquidity of the Notes may be adversely affected. As a consequence, investors may not be able to sell Notes readily or at prices that will enable investors to realise their anticipated yield and as a result, investors could lose all or part of their investment in the Notes.

#### **Exchange rate risks and exchange controls**

The Issuer will pay principal and interest on the Notes in the Specified Currency in accordance with Condition 5. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes, all of which could have a significant adverse effect on the return on the investment of the investors.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors whose financial activities are carried out or dependent principally in a currency other than euro may receive less interest or principal than expected, or no interest or principal. This may result in a significant loss on any capital invested from the perspective of a Noteholder whose domestic currency is not the Specified Currency.

#### **Credit ratings may not reflect all risks and may be lowered, suspended, withdrawn or not maintained**

One or more independent credit rating agencies may assign credit ratings to the Notes and/or the Issuer. At the date of this Base Prospectus, Arval's long-term credit ratings are A/ Stable outlook by Fitch and A-/ Stable outlook by S&P, as described in the section "*General Description of the Programme*". The rating of the Notes will be specified in the relevant Final Terms.

Following the date of this Base Prospectus, any such ratings might not continue for any period of time and might be reviewed, revised, suspended or withdrawn entirely by the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant.

If any rating assigned to the Notes is revised, lowered, suspended or withdrawn, this may adversely affect the market value of the Notes. Further, Rating Agencies may assign unsolicited ratings to the Notes. If non-solicited ratings are assigned, such ratings might differ from, or be lower than, the ratings sought by the Issuer.

#### **Market Value of the Notes**

Application may be made to list and admit any Tranche of Notes issued hereunder to trading on Euronext Paris and/or on any other Regulated Market, as it shall be specified in the relevant Final Terms. Therefore, the market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including market interest and yield rates and the time remaining to the maturity date. As of the date of this Base Prospectus, Arval's long-term credit ratings are A/ Stable outlook by Fitch and A-/ Stable outlook by S&P. However, if the creditworthiness of the Issuer deteriorates, this could have a significant adverse impact on the Noteholders and as a result the Issuer may not be able to fulfil all or part of its payment obligations under the Notes and the value of the Notes may decrease.

The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, and including also factors affecting capital markets generally and

Euronext Paris and/or any other Regulated Market or 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. Accordingly, all or part of the capital invested by the Noteholder may be lost upon any transfer of the Notes, so that the Noteholder in such case would receive significantly less than the total amount of capital invested.

## **FORWARD-LOOKING STATEMENTS**

This Base Prospectus (including the documents incorporated by reference) contains certain statements that are forward-looking including statements with respect to the Issuer's business strategies, expansion and growth of operations, trends in its business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words "believe", "expect", "project", "anticipate", "seek", "estimate" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as at the date hereof. These forward-looking statements do not constitute profit forecasts or estimates under the Commission Delegated Regulation (EU) 2019/980, as amended, supplementing the Prospectus Regulation.

The Issuer operates in a continually changing environment and new risks emerge continually. Forward-looking statements speak only as of the date they are made and the Issuer does not undertake any obligation to update or revise any of these forward-looking statements, to reflect new information, future events or circumstances or otherwise. These forward-looking statements do not constitute profit forecasts or estimates under the Commission Delegated Regulation (EU) 2019/980, as amended, supplementing the Prospectus Regulation.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the sections referred to in the table below included in the following documents (see hyperlinks in [pink](#) below):

- a. the unaudited consolidated half-year financial statements of the Issuer as at 30 June 2023 and the related notes thereto prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the statutory auditors' limited review report thereon (the "[Consolidated Financial Statements - First half 2023](#)");
- b. the press release relating to the Consolidated Financial Statements - First half 2023 of the Issuer dated 11 September 2023 (the "[2023 Half-Year Results Press Release](#)");
- c. the consolidated audited financial statements of the Issuer as at and for the year ended 31 December 2022 and the related notes thereto prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the statutory auditors' report thereon (the "[2022 Consolidated Financial Statements](#)");
- d. the press release relating to the 2022 full year results of the Issuer dated 6 March 2022 (the "[2022 Full Year Results Press Release](#)");
- e. the consolidated audited financial statements of the Issuer as at and for the year ended 31 December 2021 and the related notes thereto prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the statutory auditors' report thereon (the "[2021 Consolidated Financial Statements](#)");
- f. the section "*Terms and Conditions of the Notes*" contained on pages 48 to 95 of the base prospectus of the Issuer dated 11 February 2021 which received approval no. 21-030 on 11 February 2021 from the AMF (the "[2021 EMTN Conditions](#)"); and
- g. the section "*Terms and Conditions of the Notes*" contained on pages 47 to 94 of the base prospectus of the Issuer dated 2 February 2022 which received approval no. 22-024 on 2 February 2022 from the AMF (the "[2022 EMTN Conditions](#)");
- h. the section "*Terms and Conditions of the Notes*" contained on pages 43 to 91 of the base prospectus of the Issuer dated 13 February 2023 which received approval no. 23-032 on 13 February 2023 from the AMF (the "[2023 EMTN Conditions](#)" and together with the 2021 EMTN Conditions and the 2022 EMTN Conditions, the "**Previous EMTN Conditions**").

The Previous EMTN Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with notes already issued under the 2021 EMTN Conditions, the 2022 EMTN Conditions or the 2023 EMTN Conditions, as the case may be. Non-incorporated parts of the base prospectuses of the Issuer dated respectively 11 February 2021, 2 February 2022 and 13 February 2023 are not relevant for the investors.

The sections referred to in the table below shall be deemed to be incorporated in, and form part of this Base Prospectus to the extent that a statement contained in a section which is deemed to be 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 be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus. Non-incorporated parts of the documents incorporated by reference are either not relevant for the investors or covered elsewhere in this Base Prospectus.

Copies of the Consolidated Financial Statements - First half 2023, 2022 Consolidated Financial Statements and the 2021 Consolidated Financial Statements which contain the sections incorporated by reference are published and available on the website of the Issuer ([www.arval.com/investors](http://www.arval.com/investors)) and may be obtained without charge from the registered office of the Issuer during normal business hours.

For the purposes of the Prospectus Regulation, the information incorporated by reference in this Base Prospectus is set out in the cross-reference table below. For the avoidance of doubt, the information requested to be disclosed by the Issuer as a result of Annex 7 of the Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation, as amended (the “**Commission Delegated Regulation**”) and not referred to in the cross-reference tables below is either contained in the relevant sections of this Base Prospectus or is not relevant to the Issuer. “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.

Any information not listed in the following cross-reference table but included in the documents listed above is given for information purposes only.

Unless otherwise explicitly incorporated by reference into this Base Prospectus in accordance with the list above, the information contained on the website of the Issuer shall not be deemed incorporated by reference herein and is for information purposes only. Therefore it does not form any part of this Base Prospectus and has not been scrutinised or approved by the AMF.

**Cross-reference table**

<b>Commission Delegated Regulation – Annex 7</b>	<b>Consolidated Financial Statements - First half 2023 (page number)</b>	<b>2023 Half- Year Results Press Release</b>	<b>2022 Consolidated Financial Statements (page number)</b>	<b>2022 Full Year Results Press Release</b>	<b>2021 Consolidated Financial Statements (page number)</b>
4.1 <u>History and development of the Issuer</u>					
4.1.5 Any recent events particular to the issuer and which are to a material extent relevant to an evaluation of the Issuer’s solvency.	10 to 12	All pages	10 to 12	All pages	Not Applicable
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.	1 to 69	Not Applicable	1 to 73	Not Applicable	1 to 67
11.1.2 <b>Change of accounting reference date</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.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
11.1.3 <b>Accounting Standards</b> The financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002. If Regulation (EC) No 1606/2002 is not applicable the financial statements must be prepared according to: (a) a Member State’s national accounting standards for issuers from the EEA as	20 to 21	Not Applicable	20 to 23	Not Applicable	19

Commission Delegated Regulation – Annex 7	Consolidated Financial Statements - First half 2023 (page number)	2023 Half- Year Results Press Release	2022 Consolidated Financial Statements (page number)	2022 Full Year Results Press Release	2021 Consolidated Financial Statements (page number)
<p>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>					
<p><b>11.1.5 Consolidated financial statements</b></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>	5 to 69	Not Applicable	5 to 73	Not Applicable	5 to 67

<b>Commission Delegated Regulation – Annex 7</b>	<b>Consolidated Financial Statements - First half 2023 (page number)</b>	<b>2023 Half- Year Results Press Release</b>	<b>2022 Consolidated Financial Statements (page number)</b>	<b>2022 Full Year Results Press Release</b>	<b>2021 Consolidated Financial Statements (page number)</b>
<p><b>11.1.6 Age of financial information</b></p> <p>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.</p>	7	Not Applicable	7	Not Applicable	7
<p><b>11.2 Auditing of Historical financial information</b></p>					
<p>11.2.1 The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014.</p> <p>Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the historical financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard. Otherwise, the following information must be included in the registration document:</p> <p>(a) a prominent statement disclosing which auditing standards have been applied;</p> <p>(b) an explanation of any significant departures from International Standards on Auditing.</p>	A to C (limited review report)	Not Applicable	B to H (limited review report)	Not Applicable	B to G
<p>11.2.1a 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</p>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

<b>Commission Delegated Regulation – Annex 7</b>	<b>Consolidated Financial Statements - First half 2023 (page number)</b>	<b>2023 Half- Year Results Press Release</b>	<b>2022 Consolidated Financial Statements (page number)</b>	<b>2022 Full Year Results Press Release</b>	<b>2021 Consolidated Financial Statements (page number)</b>
qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.					
11.2.2 Indication of other information in the registration document which has been audited by the auditors.	Not Applicable	Not Applicable	Not Applicable	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	Not Applicable	Not Applicable	Not Applicable

The table below sets out the relevant page references for the terms and conditions incorporated by reference:

<b>EMTN Previous Conditions</b>	
The 2021 EMTN Conditions contained in the base prospectus of Arval which received approval no. 21-030 from the AMF on 11 February 2021	pages 48 to 95
The 2022 EMTN Conditions contained in the base prospectus of Arval which received approval no. 22-024 from the AMF on 2 February 2022	pages 47 to 94
The 2023 EMTN Conditions contained in the base prospectus of Arval which received approval no. 23-032 from the AMF on 13 February 2023	pages 43 to 91

## **SUPPLEMENT TO THE BASE PROSPECTUS**

If at any time during the duration of the Programme there is a significant new factor, material mistake or material inaccuracy relating to 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, financial position, profits and losses and prospects of the Issuer, the Arval Group, the rights attaching to the Notes and the reason for the issuance and its impact on the Issuer, the Issuer shall be required to prepare a supplement to the Base Prospectus pursuant to the provisions of Article 23 of the Prospectus Regulation and Article 18 of Commission Delegated Regulation (EU) 2019/979, as amended, or publish a replacement Base Prospectus for use in connection with any subsequent listing and admission to trading on a regulated market, submit such supplement to the Base Prospectus or replacement Base Prospectus to the AMF for approval and supply each Dealer, Euronext Paris and the AMF with such number of copies of such supplement to the Base Prospectus or replacement Base Prospectus as may reasonably be requested.

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

The Notes are issued by Arval Service Lease (the “**Issuer**” or “**Arval**”). An agency agreement dated 13 February 2024 (the “**Agency Agreement**”) has been agreed between the Issuer and BNP Paribas as fiscal agent, paying agent, put agent, redenomination agent, consolidation agent, calculation agent and make-whole calculation agent for the purpose of the Conditions (the “**Fiscal Agent**”, “**Paying Agent**”, “**Put Agent**”, “**Redenomination Agent**”, “**Consolidation Agent**”, “**Calculation Agent**” and “**Make-whole Calculation Agent**”) (which expressions shall, where the context so admits, include any successor for the time being as fiscal agent, paying agent, put agent, redenomination agent, consolidation agent, calculation agent or make-whole calculation agent, as the case may be, and are collectively referred to as the “**Agents**”).

References below to “**Conditions**” are, unless the context requires otherwise, to the numbered paragraphs below. For the purpose of these Terms and 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.

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

- (a) **Form:** Notes shall be issued in dematerialised form.

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

The Notes are issued, at the option of the Issuer, either in bearer form (*au porteur*), which will be inscribed in the books of Euroclear France SA (“**Euroclear France**”) (acting as central depositary) which shall credit the accounts of the Account Holders, or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder either in 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 held by Euroclear France and in the books 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 laws unless such right is expressly excluded in the relevant Final Terms.

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

The Notes shall constitute *obligations* within the meaning of Article L.213-5 of the French *Code monétaire et financier*.

- (b) **Denomination(s):** Notes shall be issued in such denomination(s) as may be specified in the relevant Final Terms as may be agreed between the Issuer and the relevant Dealer(s) (the “**Specified Denomination(s)**”) save that the minimum denomination of each Note

admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129, as amended (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) or such other higher amount as may be allowed or required from time to time by the relevant monetary or financial authority or any laws or regulations applicable to the relevant Specified Currency.

Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one (1) year 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 will have a minimum denomination of £100,000 (or its equivalent in other currencies).

The Notes shall be issued in one Specified Denomination only.

(c) **Title:**

- (i) Title to the Notes in bearer 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 the Account Holders. Title to the 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 the Registration Agent.
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note 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.
- (iii) In these Conditions, “**Holder of Notes**”, “**Holder of any Note**” or “**Noteholder**” means 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 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 by giving at least thirty (30) calendar days’ notice in accordance with Condition 13 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 establishing the European Community (the “**EC**”), as amended from time to time (the “**Treaty**”), or events have occurred which have substantially the same effects (in either case, “**EMU**”), redenominate all, but not some only, of the Notes of any Series 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 resulting figure to the nearest euro 0.01 (with euro 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 13. Any balance remaining from the redenomination with a denomination higher than euro 0.01 shall be paid by way of cash adjustment rounded to the nearest euro 0.01 (with euro 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) The Issuer may, with the prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 12, without the consent of the holder of any Note, make any changes or additions to these Conditions or Condition 12 (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 and shall be notified to Noteholders in accordance with Condition 13 as soon as practicable thereafter.
  - (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note 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.
- (e) **Method of Issue**

The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the issue date, issue price, first payment of interest and principal amount of Tranche), the Notes of each Series being intended to be fungible 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 (except the issue date, issue price, first payment of interest and principal amount of the Tranche), which will be identical to the terms of other Tranches of the same Series will be set out in the relevant Final Terms.

## 2 Conversion and Exchanges of Notes

- (i) Notes issued in bearer form (*au porteur*) may not be converted into Notes in registered form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).
- (ii) Notes issued in registered form (*au nominatif*) may not be converted into Notes in bearer form (*au porteur*).

- (iii) 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 French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such Noteholder.

### 3 Status of the Notes

The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer (*engagements chirographaires*) 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 indebtedness, obligations or guarantees of the Issuer, from time to time outstanding.

### 4 Negative Pledge

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

### 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. Certain defined terms contained in the FBF Definitions and in the ISDA Definitions have either been used or reproduced in this Condition 5.

“**2006 ISDA Definitions**” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”), as amended or supplemented as at the Issue Date of the first Tranche of the relevant Series, unless otherwise specified in the relevant Final Terms,

“**2021 ISDA Definitions**” means the 2021 ISDA Interest Rate Derivatives Definitions, as published by the ISDA, as amended or supplemented as at the Issue Date of the first Tranche of the relevant Series, unless otherwise specified in the relevant Final Terms,

“**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 thereto or replacement for that system (“**T2**”) is operating (a “**T2 Business Day**”);
- (ii) in the case of a Specified Currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for currency; and/or
- (iii) in the case of a Specified Currency and/or one or more business centre(s) 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 Centre(s) 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/365 - FBF**” is specified in the relevant Final Terms, the fraction whose numerator is the actual number of 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 days elapsed during the non-leap year and whose denominator is 365 and (ii) the fraction whose numerator is the number of actual days elapsed during the leap year and whose denominator is 366;
- (ii) if “**Actual/Actual**” or “**Actual/Actual - ISDA**” is specified in the relevant Final Terms, the actual number of 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 days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) 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 days in the Calculation Period divided by the product of (x) the number of 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 days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
    - the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

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 in the relevant Final Terms or, if none is so specified, the Interest Payment Date.

- (iv) if “**Actual/365 (Fixed)**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (v) if “**Actual/360**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (vi) if “**30/360**” or “**360/360 (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 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;

- (vii) 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.

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

“**FBF Definitions**” means the definitions set out in the 2013 FBF Master Agreement relating to Transactions on forward financial instruments as supplemented by the Technical Schedules published by the *Fédération Bancaire Française*, as the case may be (“**FBF**”) (together the “**FBF**”

**Master Agreement**”), as amended or supplemented as at the Issue Date of the first Tranche of the relevant Series,

**“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 calculated in accordance with these Terms and Conditions, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount as specified in the relevant Final Terms, 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, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two (2) T2 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 or (iii) the day falling two (2) 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,

**“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 or the relevant payment date if the Notes become payable on a date other than an 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, as specified in the relevant Final Terms, either (i) the 2006 ISDA Definitions or (ii) the 2021 ISDA Definitions, as published by ISDA, as at the Issue Date of the first Tranche of the Notes, unless otherwise specified in the relevant Final Terms, provided in each case that if the Calculation Agent determines that it is appropriate, ISDA Definitions will mean any successor definitional booklet to the 2006 ISDA Definitions or the 2021 ISDA Definitions, each as supplemented from time to time for interest rate derivatives published from time to time, all as determined as of the date of the relevant determination,

**“Margin”** means for an Interest Accrual Period, the percentage or figures with respect to the applicable Interest Accrual Period specified in the relevant Final Terms, it being specified that such margin can have a positive or a negative value or be equal to zero,

**“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, in each case selected by the Calculation Agent with the approval of the Issuer or as specified in the relevant Final Terms,

**“Reference Rate”** means the rate specified as such in the relevant Final Terms (e.g. EURIBOR, SONIA or SOFR (or any successor or replacement rate),

“**Relevant Date**” means, in respect of any Note, the date on which payment in respect of it first became 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,

“**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 such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Reference Rate, and

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

- (b) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from and including 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 or in advance as specified in the relevant Final Terms on each Interest Payment Date.

If a fixed amount of interest (“**Fixed Coupon Amount**”) or a broken amount of interest (“**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.

- (c) **Interest on Floating Rate Notes:**

- (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from and including 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. The amount of interest payable shall be determined in accordance with Conditions 5(h) and 5(i). 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 Accrual 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 relevant 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 that 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 or 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 plus or minus (as indicated in the relevant Final Terms) the Margin (if any). 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 under a Transaction under the terms of an agreement incorporating the FBF Definitions and under which:

- I. the Floating Rate is as specified in the relevant Final Terms; and
- II. the relevant Floating Rate Determination Date (*Date de Détermination du Taux Variable*) is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

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

(B) ISDA Determination for Floating Rate Notes

(a) Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, and “2006 ISDA Definitions” is specified in the relevant Final Terms, 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 plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (B)(a), “**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 2006 ISDA Definitions and under which:

- I. the “**Floating Rate Option**” is as specified in the relevant Final Terms;
- II. the “**Designated Maturity**” is a period specified in the relevant Final Terms; and
- III. 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)(a), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the 2006 ISDA Definitions.

If the paragraph “Floating Rate Option” in the relevant Final Terms provides that the rate of interest will be determined by linear interpolation in respect of an Interest Accrual Period, the Rate of Interest applicable to such Interest Accrual Period will be

calculated by the Calculation Agent by linear interpolation between two (2) rates of interest based on the relevant Floating Rate, provided that the first rate of interest corresponds to a maturity immediately inferior to the duration of the relevant Interest Accrual Period and the second rate corresponds to a maturity immediately superior to the same relevant Interest Accrual Period.

(b) Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, and "2021 ISDA Definitions" is specified in the relevant Final Terms, 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 plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (B)(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 2021 ISDA Definitions and under which:

- I. the "**Floating Rate Option**" is as specified in the relevant Final Terms;
- II. the "**Designated Maturity**" is a period specified in the relevant Final Terms;
- III. the relevant "**Reset Date**" is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms;
- IV. the relevant "**Fixing Day**" is the date specified in the applicable Final Terms or, in the absence thereof, as defined in the 2021 ISDA Definitions;
- V. the "**Effective Date**" is, unless otherwise specified in the applicable Final Terms, the Interest Commencement Date;
- VI. the "**Termination Date**" is, unless otherwise specified in the applicable Final Terms, the last date of the last occurring Interest Accrual Period;
- VII. the relevant "**Calculation Period**" is as specified in the applicable Final Terms or, in the absence thereof, as defined in the 2021 ISDA Definitions for which purpose references to "Effective Date" and "Period End Date" (in the 2021 ISDA Definitions) shall be deemed to be to, respectively, the Issue Date and any last day of the last occurring Interest Accrual Period (as defined in these Conditions); and
- VIII. if the Floating Rate Option specified in the Final Terms is an Overnight Floating Rate Option and Compounding is specified as applicable in the applicable Final Terms:
  - the relevant Reset Date is the last day of the last occurring Interest Accrual Period, unless otherwise specified in the Final Terms;
  - Delayed Payment will be applicable if specified as such in the Final Terms, and if so, the applicable number of days is either (x) as specified in the Final Terms, or (y) if no number is specified as such in the Final Terms, five (5);
  - OIS Compounding will be applicable if specified as such in the Final Terms;
  - Compounding with Lookback will be applicable if specified as such in the Final Terms, and if so, the "**Lookback**" is either (x) as specified in the Final Terms, or (y) if no number is specified as such in the Final Terms, the

number specified as the “Lookback” for the relevant Floating Rate Option in the 2021 ISDA Definitions, or (z) if no such number is specified for the relevant Floating Rate Option, five (5);

- Compounding with Observation Period Shift will be applicable if specified as such in the Final Terms, and if so, Set in Advance will be applicable if specified as such in the Final Terms, “**Observation Period Shift Additional Business Day**” is as specified in the Final Terms, and the “**Observation Period Shift**” is either (x) as specified in the Final Terms, or (y) if no number is specified as such in the Final Terms, the number specified as the “**Observation Period Shift**” for the relevant Floating Rate Option in the 2021 ISDA Definitions, or (z) if no such number is specified for the relevant Floating Rate Option, five (5); and
- Compounding with Lockout will be applicable if specified as such in the Final Terms, and if so, “**Lockout Period Business Day**” is as specified in the Final Terms and the “**Lockout**” is either (x) as specified in the Final Terms, or (y) if no number is specified as such in the Final Terms, the number specified as the “**Lockout**” for the relevant Floating Rate Option in the 2021 ISDA Definitions, or (z) if no such number is specified for the relevant Floating Rate Option, five (5).

For the purposes of this sub-paragraph (B)(b), except as otherwise defined in such sub-paragraph, “**Calculation Agent**”, “**Compounding with Lockout**”, “**Compounding with Lookback**”, “**Compounding with Observation Period Shift**”, “**Delayed Payment**”, “**Designated Maturity**”, “**Effective Date**”, “**Floating Rate**”, “**Floating Rate Option**”, “**Lockout Period Business Day**”, “**Lockout**”, “**Lookback**”, “**Observation Period Shift**”, “**OIS Compounding**”, “**Overnight Floating Rate Option**”, “**Period End Date**”, “**Reset Date**”, “**Set in Advance**” and “**Swap Transaction**” have the meanings given to those terms in the 2021 ISDA Definitions.

The provisions relating to “**Linear Interpolation**” set out in the 2021 ISDA Definitions shall apply to an ISDA Rate where “*2021 ISDA Definitions Linear Interpolation*” is specified as applicable in the applicable Final Terms. For such purpose, references to “**Relevant Rate**” under the 2021 ISDA Definitions shall be deemed to be references to the ISDA Rate.

(C) Screen Rate Determination for Floating Rate Notes

- I. 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 EURIBOR, the Rate of Interest for each Interest Accrual Period will, subject as provided below or (if applicable) subject to Condition 5(c)(iii)(E) (*Benchmark Discontinuation*) 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 on the Relevant Screen Page as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question

plus or minus (as indicated in the relevant Final Terms) the Margin (if any) 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.

- II. if the Relevant Screen Page is not available or, if sub-paragraph I(i) applies and no such offered quotation appears on the Relevant Screen Page or, if sub-paragraph I(ii) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request the principal Euro-zone office of 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 at approximately 11.00 a.m. (Brussels 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 Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- III. if paragraph II 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 at approximately 11.00 a.m. (Brussels 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 the Euro-zone inter-bank market 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, at approximately 11.00 a.m. (Brussels 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 the Euro zone inter-bank market, 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 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).

IV. 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 Rate of Interest for each Interest Accrual Period will be calculated in accordance with Condition 5(c)(iii)(C)IV(A) below or 5(c)(iii)(C)IV(B) below subject to the provisions of Condition 5(c)(iii)(C)IV(D) below.

- (A) Where the Calculation Method is specified in the relevant Final Terms as being "Compounded Daily", the Rate of Interest for each Interest Accrual Period will be the Compounded Daily SONIA plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent.
- (B) Where the Calculation Method is specified in the relevant Final Terms as being "Weighted Average", the Rate of Interest for each Interest Accrual Period will be the Weighted Average SONIA plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.
- (C) The following definitions shall apply for the purpose of this Condition 5(c)(iii)(C)IV :

“**Compounded Daily SONIA**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment in Sterling (with the daily Sterling overnight reference rate as the reference rate for the calculation of interest) calculated by the Calculation Agent on the Interest Determination Date in accordance with the following formula:

- (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}; \text{ or}$$

- (y) if “Shift” is specified as the Observation Method in the relevant Final Terms:

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

where, in each case, the resulting percentage will be rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

“**d**” means the number of calendar days in (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, the relevant Interest Accrual Period, or (y) if “Shift” is specified as the Observation Method in the relevant Final Terms, the relevant Observation Lookback Period;

“**d<sub>0</sub>**” means (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, in respect of an Interest Accrual Period, the number of London Business Days in the relevant Interest Accrual Period, or (y) if “Shift” is specified as the Observation Method in the relevant Final Terms, in respect of an Observation Lookback Period, the number of London Business Days in the relevant Observation Lookback Period;

“**i**” means a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant London Business Days in chronological order from (and including) the first London Business Day (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, in the relevant Interest Accrual Period or (y) if “Shift” is specified as the Observation Method in the relevant Final Terms, in the relevant Observation Lookback Period;

“**Lock-out Period**” means, in respect of an Interest Accrual Period, the period from (and including) the day following the Interest Determination Date to (but excluding) the Interest Period Date falling at the end of such Interest Accrual Period;

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

“**Lookback Period**” or “**p**” means, in respect of an Interest Accrual Period where “Lag” or “Shift” is specified as the Observation Method in the relevant Final Terms, the number of London Business Days specified in the relevant Final Terms (or, if no such number is specified, five London Business Days);

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

**“Observation Lookback 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 the relevant Interest Accrual Period and ending on (but excluding) the date which is p London Business Days prior to the Interest Period Date falling at the end of such Interest Accrual Period;

**“Reference Day”** means each London Business Day in the relevant Interest Accrual Period that is not a London Business Day falling in the Lock-out Period;

**“SONIA i”** means, in respect of a London Business Day i:

- (x) if “Lag” is specified as the Observation Method in the relevant Final Terms, the SONIA Rate in respect of such London Business Day i; or
- (y) if “Lock-out” is specified as the Observation Method in the relevant Final Terms:
  - (1) in respect of any London Business Day i that is a Reference Day, the SONIA Rate in respect of the London Business Day immediately preceding such Reference Day; otherwise
  - (2) the SONIA Rate in respect of the London Business Day immediately preceding the Interest Determination Date for the relevant Interest Accrual Period;
- (z) if “Shift” is specified as the Observation Method in the relevant Final Terms, the SONIA Rate for such London Business Day i;

**“SONIA<sub>i-pLBD</sub>”** means:

- (x) if “Lag” is specified as the Observation Method in the relevant Final Terms, in respect of a London Business Day i, SONIA i in respect of the London Business Day falling p London Business Days prior to such London Business Day i; or
- (y) if “Lock-out” is specified as the Observation Method in the relevant Final Terms, in respect of a London Business Day i, SONIA i in respect of such London Business Day i.

**“SONIA Rate”** means, in respect of any London Business Day, a reference rate equal to the daily Sterling Overnight Index Average 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 (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the

London Business Day immediately following such London Business Day; and

“**Weighted Average SONIA**” means:

- (x) where “Lag” is specified as the Observation Method in the relevant Final Terms, the sum of the SONIA Rate in respect of each calendar day during the relevant Observation Lookback Period divided by the number of calendar days during such Observation Lookback Period. For these purposes, the SONIA Rate in respect of any calendar day which is not a London Business Day shall be deemed to be the SONIA Rate in respect of the London Business Day immediately preceding such calendar day; or
  - (y) where “Lock-out” is specified as the Observation Method in the relevant Final Terms, the sum of the SONIA Rate in respect of each calendar day during the relevant Interest Accrual Period divided by the number of calendar days in the relevant Interest Accrual Period, provided that, for any calendar day of such Interest Accrual Period falling in the Lock-out Period for the relevant Interest Accrual Period, the SONIA Rate for such calendar day will be deemed to be the SONIA Rate in respect of the London Business Day immediately preceding the first day of such Lock-out Period. For these purposes, the SONIA Rate in respect of any calendar day which is not a London Business Day shall, subject to the preceding proviso, be deemed to be the SONIA Rate in respect of the London Business Day immediately preceding such calendar day.
- (D) If, in respect of any London Business Day, the SONIA Rate is not available on the Relevant Screen Page (and has not otherwise been published by the relevant authorised distributors), such SONIA Rate shall be:
- (x) (i) the Bank of England's Bank Rate (the “**Bank Rate**”) prevailing at the close of business on the relevant London Business Day; plus (ii) the arithmetic mean of the spread of SONIA to the Bank Rate over the previous five days on which SONIA 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); or

- (y) if such Bank Rate is not available, the SONIA Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the immediately preceding London Business Day on which the SONIA Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors), and

such rate shall be deemed to be the SONIA Rate for such London Business Day.

Notwithstanding the foregoing, in the event of the Bank of England publishing guidance as to (i) how the SONIA Rate is to be determined or (ii) any rate that is to replace the SONIA Rate, the Calculation Agent shall follow such guidance to determine the SONIA Rate for so long as the SONIA Rate is not available or has not been published by the authorised distributors.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions in respect of an Interest Accrual Period, the Rate of Interest shall be (i) that determined as at the immediately preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the immediately preceding Interest Accrual Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest relating to the immediately 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 (subject to the application of the relevant Margin or Maximum Rate of Interest or Minimum Rate of Interest in respect of such Interest Accrual Period).

- V. 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, the Rate of Interest for each Interest Accrual Period will be calculated in accordance with Condition 5(c)(iii)(C)V(A) or (B) below, subject to the provisions of Condition 5(c)(iii)(C)V.(D) below.

- (A) Where the Calculation Method is specified in the relevant Final Terms as being “SOFR Arithmetic Mean”, the Rate of Interest will be the SOFR Arithmetic Mean plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent on the relevant Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.
- (B) Where the Calculation Method is specified in the relevant Final Terms as being “SOFR Compound”, the Rate of Interest will be the Compounded Daily SOFR on the relevant Interest Determination Date plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent.
- (C) The following definitions shall apply for the purpose of this Condition 5(c)(iii)(C)V:

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

“**Compounded Daily SOFR**” means, with respect to an Interest Accrual Period, an amount equal to the rate of return for each calendar day during the Interest Accrual Period, compounded daily, calculated by the Calculation Agent on the Interest Determination Date in accordance with the following formula:

- (i) if “SOFR Compound with Lookback” is specified in the relevant Final Terms:

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

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

Where:

“**d**” means, in respect of an Interest Accrual Period, the number of calendar days in such Interest Accrual Period;

“**d<sub>0</sub>**” means, in respect of an Interest Accrual Period, the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers from one to d<sub>0</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period;

“**Lookback Period**” or “**p**” means the number of U.S. Government Securities Business Days specified as such in the relevant Final Terms or, if no such number is specified, five U.S. Government Securities Business Days;

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

“**SOFR<sub>i-pUSBD</sub>**” means, in respect of a U.S. Government Securities Business Day<sub>i</sub>, SOFR<sub>i</sub> in respect of the U.S. Government Securities Business Day falling the number of U.S. Government Securities Business Days equal to the Lookback Period prior to such U.S. Government Securities Business Day<sub>i</sub> (“**pUSBD**”), provided that, unless SOFR Cut-Off Date is specified as not applicable in the relevant Final Terms, SOFR<sub>i</sub> in respect of each U.S. Government Securities Business Day<sub>i</sub> in the period from (and including) the SOFR Cut-Off Date to (but excluding) the next occurring Interest Period Date, will be SOFR<sub>i</sub> in respect of the SOFR Cut-Off Date for such Interest Accrual Period;

- (ii) if “SOFR Compound with Observation Period Shift” is specified in the relevant Final Terms:

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

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

Where:

“**d**” means, in respect of an Observation Period, the number of calendar days in such Observation Period;

“**d<sub>0</sub>**” means, in respect of an Observation Period, the number of U.S. Government Securities Business Days in the relevant Observation Period;

“**i**” means a series of whole numbers from one to d<sub>0</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Observation Period;

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

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

“**Observation Shift Days**” means the number of U.S. Government Securities Business Days specified in the relevant Final Terms or, if no such number is specified, five U.S. Government Securities Business Days; and

“**SOFR<sub>i</sub>**” means, in respect of each U.S. Government Securities Business Day<sub>i</sub>, the SOFR in respect of such U.S. Government Securities Business Day<sub>i</sub>;

- (iii) if “SOFR Index with Observation Shift” is specified in the relevant Final Terms:

$$\left( \frac{\text{SOFR Index}_{\text{Final}}}{\text{SOFR Index}_{\text{Initial}}} - 1 \right) \times \frac{360}{d_c}$$

Where:

“**d<sub>c</sub>**” means, in respect of each Interest Accrual Period, the number of calendar days in the relevant Interest Accrual Period;

“**Observation Shift Days**” means the number of U.S. Government Securities Business Days specified as such in the relevant Final Terms or, if no such number is specified, two U.S. Government Securities Business Days;

“**SOFR Index**” means with respect to any U.S. Government Securities Business Day, (i) the SOFR Index value as published by the NY Federal Reserve as such index appears on the NY Federal Reserve’s Website at the SOFR Determination Time; or (ii) if the SOFR Index specified in (i) above does not so appear, unless both a SOFR Transition Event and its related SOFR Replacement Date have occurred, the SOFR Index as published in respect of the first preceding U.S. Government Securities Business Day for which the SOFR Index was published on the NY Federal Reserve’s Website;

“**SOFR Index<sub>Final</sub>**” means, in respect of an Interest Accrual Period, the value of the SOFR Index on the date falling the number of U.S. Government Securities Business Days equal to the Observation Shift Days prior to the next occurring Interest Period Date in such Interest Accrual Period; and

“**SOFR Index<sub>Initial</sub>**” means, in respect of an Interest Accrual Period, the value of the SOFR Index on the date falling the number of U.S. Government Securities Business Days equal

to the Observation Shift Days prior to the first day of such Interest Accrual Period (or, in the case of the first Interest Accrual Period, the Interest Commencement Date);

“**NY Federal Reserve**” means the Federal Reserve Bank of New York;

“**NY Federal Reserve’s Website**” means the website of the NY Federal Reserve, currently at [www.newyorkfed.org](http://www.newyorkfed.org), or any successor website of the NY Federal Reserve or the website of any successor administrator of SOFR;

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

“**SOFR**” means the rate determined by the Calculation Agent in respect of a U.S. Government Securities Business Day, in accordance with the following provisions:

- (a) the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day that appears at approximately 3:00 p.m. (New York City time) (the “**SOFR Determination Time**”) on the NY Federal Reserve’s Website on such U.S. Government Securities Business Day, as such rate is reported on the Bloomberg Screen SOFRRATE Page for such U.S. Government Securities Business Day or, if no such rate is reported on the Bloomberg Screen SOFRRATE Page, then the Secured Overnight Financing Rate that is reported on the Reuters Page USDSOFR= or, if no such rate is reported on the Reuters Page USDSOFR=, then the Secured Overnight Financing Rate that appears at approximately 3:00 p.m. (New York City time) on the NY Federal Reserve’s Website on such U.S. Government Securities Business Day (the “**SOFR Screen Page**”); or
- (b) if the rate specified in (a) above does not so appear and the Calculation Agent determines that a SOFR Transition Event has not occurred, the Secured Overnight Financing Rate published on the NY Federal Reserve’s Website for the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the NY Federal Reserve’s Website;

“**SOFR Arithmetic Mean**” means, with respect to an Interest Accrual Period, the arithmetic mean of SOFR for each calendar day during such Interest Accrual Period, as calculated by the Calculation Agent provided that, SOFR in respect of each calendar day during the period from (and including) the SOFR Cut-Off Date to (but excluding) the next occurring Interest Period Date will be SOFR on the SOFR Cut-Off Date. For these purposes, SOFR in respect of

any calendar day which is not a U.S. Government Securities Business Day shall, subject to the preceding proviso, be deemed to be SOFR in respect of the U.S. Government Securities Business Day immediately preceding such calendar day;

“**SOFR Cut-Off Date**” means, unless specified as not applicable in the relevant Final Terms, in respect of an Interest Accrual Period, the fourth U.S. Government Securities Business Day prior to the next occurring Interest Period Date in such Interest Accrual Period (or such other number of U.S. Government Securities Business Days specified in the relevant Final Terms); and

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

Notwithstanding paragraphs (A) to (C) above, if the Calculation Agent determines on or prior to the SOFR Determination Time, that a SOFR Transition Event and its related SOFR Replacement Date have occurred with respect to the relevant SOFR Benchmark (as defined below), then the provisions set forth in Condition 5(c)(iii)(C)V.(D) below will apply to all determinations of the Rate of Interest for each Interest Accrual Period thereafter.

(D) SOFR Replacement Provisions

If the Calculation Agent, failing which the Issuer, determines at any time prior to the SOFR Determination Time on any U.S. Government Securities Business Day that a SOFR Transition Event and the related SOFR Replacement Date have occurred, the Calculation Agent will appoint an agent (the “**Replacement Rate Determination Agent**”) which will determine the SOFR Replacement. The Replacement Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the Specified Currency as appointed by the Calculation Agent, (y) an affiliate of the Calculation Agent or (z) such other independent entity that the Calculation Agent determines to be competent to carry out such role.

In connection with the determination of the SOFR Replacement, the Replacement Rate Determination Agent will determine appropriate SOFR Replacement Conforming Changes.

Any determination, decision or election that may be made by the Calculation Agent or Replacement Rate Determination Agent (as the case may be) pursuant to these

provisions, will (in the absence of manifest error) be conclusive and binding on the Issuer, the Calculation Agent and the Noteholders.

Following the designation of a SOFR Replacement, the Calculation Agent may subsequently determine that a SOFR Transition Event and a related SOFR Replacement Date have occurred in respect of such SOFR Replacement, provided that the SOFR Benchmark has already been substituted by the SOFR Replacement and any SOFR Replacement Conforming Changes in connection with such substitution have been applied. In such circumstances, the SOFR Replacement shall be deemed to be the SOFR Benchmark and all relevant definitions shall be construed accordingly.

In connection with the SOFR Replacement provisions above, the following definitions shall apply:

**“2006 ISDA Definitions”** means, in respect of a Series of Notes, the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. or any successor thereto (**“ISDA”**), as amended or supplemented as at the Issue Date of the first Tranche of Notes of such Series, unless otherwise specified in the relevant Final Terms;

**“2021 ISDA Definitions”** means, in respect of a Series of Notes, the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions), as amended or supplemented as at the Issue Date of the first Tranche of Notes of such Series, as published by ISDA on its website ([www.isda.org](http://www.isda.org));

**“ISDA Definitions”** means the 2006 ISDA Definitions or the 2021 ISDA Definitions, as specified in the applicable Final Terms;

**“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 SOFR for the applicable tenor;

**“ISDA Fallback Rate”** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of a SOFR Transition Event with respect to SOFR for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**“Relevant Governmental Body”** means the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or a committee officially endorsed or

convened by the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or any successor thereto;

“**SOFR Benchmark**” means (a) (unless SOFR Compound – SOFR Index with Observation Shift is specified in the relevant Final Terms) SOFR or (b) SOFR Index (each as defined in Condition 5(c)(iii)(C)V(C) above);

“**SOFR Replacement**” means any one (or more) of the SOFR Replacement Alternatives to be determined by the Replacement Rate Determination Agent as of the SOFR Replacement Date if the Calculation Agent, failing which the Issuer, determines that a SOFR Transition Event and its related SOFR Replacement Date have occurred on or prior to the SOFR Determination Time in respect of any determination of the SOFR Benchmark on any U.S. Government Securities Business Day in accordance with:

- (a) the order of priority specified SOFR Replacement Alternatives Priority in the relevant Final Terms; or
- (b) if no such order of priority is specified, in accordance with the priority set forth below:
  - (i) Relevant Governmental Body Replacement;
  - (ii) ISDA Fallback Replacement; and
  - (iii) Industry Replacement,

Provided, in each case, that, if the Replacement Rate Determination Agent is unable to determine the SOFR Replacement in accordance with the first SOFR Replacement Alternative listed, it shall attempt to determine the SOFR Replacement in accordance with the each subsequent SOFR Replacement Alternative until a SOFR Replacement is determined. The SOFR Replacement will replace the then-current SOFR Benchmark for the purpose of determining the relevant Rate of Interest in respect of the relevant Interest Accrual Period and each subsequent Interest Accrual Period, subject to the occurrence of a subsequent SOFR Transition Event and related SOFR Replacement Date;

“**SOFR Replacement Alternatives**” means:

- (a) the sum of: (i) the alternative rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current SOFR Benchmark for the relevant Interest Accrual Period and (ii) the SOFR Replacement Adjustment (the “**Relevant Governmental Body Replacement**”);

- (b) the sum of: (i) the ISDA Fallback Rate and (ii) the SOFR Replacement Adjustment (the “**ISDA Fallback Replacement**”); or
- (c) the sum of: (i) the alternative rate that has been selected by the Replacement Rate Determination Agent as the replacement for the then-current SOFR Benchmark for the relevant Interest Accrual Period giving due consideration to any industry-accepted rate as a replacement for the then-current SOFR Benchmark for U.S. dollar-denominated floating rate securities at such time and (ii) the SOFR Replacement Adjustment (the “**Industry Replacement**”);

“**SOFR Replacement Adjustment**” means the first alternative set forth in the order below that can be determined by the Replacement Rate Determination Agent as of the applicable SOFR Replacement Date:

- (a) 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 SOFR Replacement;
- (b) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (c) the spread adjustment (which may be a positive or negative value or zero) determined by the Replacement Rate Determination 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 SOFR Benchmark with the applicable Unadjusted SOFR Replacement for U.S. dollar-denominated floating rate securities at such time;

“**SOFR Replacement Conforming Changes**” means, with respect to any SOFR Replacement, any technical, administrative or operational changes (including, but not limited to, changes to timing and frequency of determining rates with respect to each interest period and making payments of interest, rounding of amounts or tenors, day count fractions, business day convention and other administrative matters) that the Replacement Rate Determination Agent decides may be appropriate to reflect the adoption of such SOFR Replacement in a manner substantially consistent with market practice (or, if the Replacement Rate Determination Agent determines that adoption of any portion of such market practice is not

administratively feasible or if the Replacement Rate Determination Agent determines that no market practice for use of the SOFR Replacement exists, in such other manner as the Replacement Rate Determination Agent or the Calculation Agent, as the case may be, determines is reasonably necessary, acting in good faith and in a commercially reasonable manner);

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

- (a) in the case of sub-paragraphs (a) or (b) of the definition of "SOFR Transition Event" the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the SOFR Benchmark permanently or indefinitely ceases to provide the SOFR Benchmark (or such component); or
- (b) in the case of sub-paragraph (c) of the definition of "SOFR Transition Event" the date of the public statement or publication of information referenced therein; or
- (c) in the case of sub-paragraph (d), the last such consecutive U.S. Government Securities Business Day on which the SOFR Benchmark has not been published,

provided that, in the event of any public statements or publications of information as referenced in sub-paragraphs (a) or (b) above, should such event or circumstance referred to in such a public statement or publication occur on a date falling later than three months after the relevant public statement or publication, the SOFR Transition Event shall be deemed to occur on the date falling three months prior to such specified date (and not the date of the relevant public statement or publication).

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

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

- (a) a public statement or publication of information by or on behalf of the administrator of the SOFR Benchmark (or such component, if relevant) announcing that such administrator has ceased or will cease to provide the SOFR Benchmark (or such component, if relevant), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component, if relevant);
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component, if relevant), the central bank for the currency of the SOFR Benchmark (or such component, if relevant), an insolvency official with jurisdiction over the administrator for the SOFR Benchmark (or such component, if relevant), a resolution authority with jurisdiction over the administrator for SOFR (or such component, if relevant) or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Benchmark (or such component, if relevant), which states that the administrator of the SOFR Benchmark (or such component, if relevant) has ceased or will cease to provide the SOFR Benchmark (or such component, if relevant) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component, if relevant);
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark (or such component, if relevant) announcing that the SOFR Benchmark (or such component, if relevant) is no longer representative, the SOFR Benchmark (or such component, if relevant) 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 in respect of the Notes; or
- (d) the SOFR Benchmark is not published by its administrator (or a successor administrator) for six consecutive U.S. Government Securities Business Days; and

**“Unadjusted SOFR Replacement”** means the SOFR Replacement prior to the application of any SOFR Replacement Adjustment.

(D) Linear Interpolation

Where Linear Interpolation is specified in the relevant Final Terms in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant FBF Rate (if specified as applicable in the relevant Final terms), the relevant Reference Rate (where Screen Rate Determination is specified in the relevant Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified in the relevant Final Terms), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

For the purposes of this sub-paragraph (D), “**Applicable Maturity**” means: (a) in relation to FBF Determination, the period of time specified in the relevant FBF Rate, (b) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (c) in relation to ISDA Determination, the Designated Maturity.

(E) Benchmark Discontinuation:

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, if a Benchmark Event occurs in relation to an Original Reference Rate at any time when the Terms and Conditions of any Notes provide for any remaining rate of interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply and shall prevail over other fallbacks specified in Condition 5(c)(iii)(A). For the avoidance of doubt, the following provisions shall not apply and shall not prevail over other fallbacks specified in Conditions 5(c)(iii)(A), 5(c)(iii)(B) and shall not apply to SONIA and SOFR.

(a) Independent Adviser

The Issuer shall use 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)(E)(b)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 5(c)(iii)(E)(c)) and any Benchmark Amendments (in accordance with Condition 5(c)(iii)(E)(d)).

An Independent Adviser appointed pursuant to this Condition 5(c)(iii)(E) shall act in good faith and in a commercially reasonable manner as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Fiscal

Agent, the Paying Agents, the Calculation Agent or any other party responsible for determining the Rate of Interest specified in the relevant Final Terms, or the Noteholders for any determination made by it pursuant to this Condition 5(c)(iii)(E).

(b) Successor Rate or Alternative Rate

If the Independent Adviser determines in good faith and in a commercially reasonable manner that:

1. there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5(c)(iii)(E)(c)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5(c)(iii)(E)); or
2. 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)(E)(c)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5(c)(iii)(E)).

(c) Adjustment Spread

If the Independent Adviser, determines, acting in good faith and in a commercially reasonable manner (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) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(d) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5(c)(iii)(E) and the Independent Adviser determines in good faith and in a commercially reasonable manner (A) that amendments to the Terms and Conditions of the Notes (including, without limitation, amendments to the definitions of Day Count Fraction, Business Days or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(c)(iii)(E)(e), without any requirement for the consent or approval of Noteholders, vary the

Terms and Conditions of the Notes to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5(c)(iii)(E), 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, etc.

The Issuer shall, after receiving such information from the Independent Adviser, notify the Fiscal Agent, the Calculation Agent, the Paying Agents, the Representative (if any) and, in accordance with Condition 13, the Noteholders, promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5(c)(iii)(E). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(f) Survival of Original Reference Rate

Without prejudice to the Issuer's obligations under the provisions of this Condition 5(c)(iii)(E), the Original Reference Rate and the fallback provisions provided for in Condition 5(c)(iii)(C) will continue to apply unless and until the party responsible for determining the Rate of Interest has been notified of the Successor Rate or the Alternative Rate (as the case may be), and of any Adjustment Spread and/or Benchmark Amendments.

(g) Fallbacks

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) is determined pursuant to this provision, the fallback provisions relating to the Original Reference Rate specified in Condition 5(c)(iii)(C), namely the Rate of Interest determined as at the last preceding Interest Determination Date, will continue to apply to such determination.

In such circumstances, the Issuer will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of this Condition 5(c)(iii)(E), *mutatis mutandis*, on one or more occasions until a Successor Rate or Alternative Rate (and, if applicable, any associated Adjustment Spread and/or Benchmark Amendments) has been determined and notified in accordance with this Condition 5(c)(iii)(E) (and, until such determination and notification (if any), the fallback provisions provided elsewhere in these Terms and Conditions including, for the avoidance of doubt, the other fallbacks specified in Condition 5(c)(iii)(C), will continue to apply in accordance with their terms). This may result in the Rate of Interest for the last preceding Interest Accrual

Period being the Rate of Interest for the Interest Accrual Period in question.

(h) Definitions

In this Condition 5(c)(iii)(E):

“**Adjustment Spread**” means either a spread (which may be positive or negative), or the formula or 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 fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders 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:

- (a) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (b) in the case of an Alternative Rate (or in the case of a Successor Rate where (a) above does not apply), is in customary market usage in the international debt capital market for transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate (or, as the case may be, the Successor Rate); or
- (c) if no such recommendation or option has been made (or made available), or the Independent Adviser determines there is no such spread, formula or methodology in customary market usage, the Independent Adviser, acting in good faith, determines to be appropriate.

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with this Condition 5(c)(iii)(E) and which is customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

“**Benchmark Event**” means, with respect to an Original Reference Rate:

- (a) the Original Reference Rate ceasing to exist or be published;
- (b) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will,

- on or before a specified date, 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) and (ii) the date falling six months prior to the date specified in (i);
- (c) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;
  - (d) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (i);
  - (e) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months;
  - (f) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate, in the opinion of the supervisor, is no longer representative of an underlying market or that its method of calculation has significantly changed;
  - (g) it has or will prior to the next Interest Determination Date, become unlawful for the Issuer, the party responsible for determining the Rate of Interest (being the Calculation Agent or such other party specified in the relevant Final Terms, as applicable), or any Paying Agent to calculate any payments due to be made to any Noteholder using the Original Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, as amended, if applicable); or
  - (h) that a decision to withdraw the authorisation or registration pursuant to Article 35 of the Benchmarks Regulation (Regulation (EU) 2016/1011, as amended) of any benchmark administrator previously authorised to publish such Original Reference Rate has been adopted.

**“Independent Adviser”** means an independent financial institution of international repute or an independent adviser of

recognised standing with appropriate expertise appointed by the Issuer at its own expense under Condition 5(c)(iii)(E)(a);

“**Original Reference Rate**” means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes;

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

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

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body, and if, following a Benchmark Event, two or more successor or replacement rates are recommended by any Relevant Nominating Body, the Independent Adviser, shall determine which of those successor or replacement rates is most appropriate, having regard to, *inter alia*, the particular features of the relevant Notes and the nature of the Issuer.

- (d) **Fixed/Floating Rate Notes:** If Fixed/Floating Rate Notes is specified as applicable in the relevant Final Terms, then on the date specified in the relevant Final Terms (the “**Switch Date**”): (i) the Issuer may elect to convert the rate at which the Notes bear interest from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate (the “**Issuer Change of Interest Basis**”), it being specified that the Issuer Change of Interest Basis shall be deemed effective after notification by the Issuer to the Noteholders within the period specified in the relevant Final Terms in accordance with Condition 13, or (ii) the rate at which the Notes bear interest will automatically change from a Fixed Rate to a Floating Rate or from a Floating Rate to a Fixed Rate (the “**Automatic Change of Interest Basis**”), as specified in the relevant Final Terms.
- (e) **Zero Coupon Notes:** Where a 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 Optional Redemption Amount, the Early Redemption Amount or the Make-whole Redemption Amount, as the case may be, of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate *per annum* (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(i)(i)).

- (f) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, on such due date, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 5(a)).
- (g) **Margin, Maximum/Minimum Rates of Interest 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 Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then any Rate of Interest shall be subject to such maximum or minimum, as the case may be, provided that in no event, will the Rate of Interest be less than the Minimum Rate of Interest of 0.00 per cent. Whether or not a Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, in no event shall the rate of interest (including for the avoidance of doubt, as adjusted with 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 the relevant Final Terms 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, Make-whole Redemption Amounts and Early Redemption Amounts:** The Calculation Agent or the Make-whole Calculation Agent shall, as soon as practicable on such date as the Calculation Agent or the Make-whole 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 for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount, Make-whole Redemption Amount or Early Redemption 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, Make-whole Redemption Amount or Early Redemption Amount to be notified to the Fiscal Agent, the Issuer, the Paying Agent, 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 admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Accrual Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth (4<sup>th</sup>) 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 Accrual Period. 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) or the Make-whole Calculation Agent, as applicable, shall (in the absence of manifest error) be final and binding upon all parties.

- (j) **Calculation Agent and Make-whole Calculation Agent:** The Issuer shall use its best efforts to procure that there shall at all times be one or more Calculation Agents or one Make-whole Calculation Agent if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined in the Agency Agreement or the Make-whole Calculation Agency Agreement). 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 or the Make-whole Calculation Agent is unable or unwilling to act as such or if the Calculation Agent or the Make-whole Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount, Make-whole 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 or the Make-whole 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 or the Make-whole Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to that Regulated Market so require, notice of any change of Calculation Agent or the Make-whole Calculation Agent shall be given in accordance with Condition 13.

## 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.
- (b) **Make-whole Redemption by the Issuer:** If so specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer may, subject to the satisfaction of any refinancing conditions to which the redemption is subject and compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than fifteen (15) nor more than thirty (30) calendar days' notice in accordance with Condition 13 to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) (which notice shall (i) specify the date fixed for redemption, (ii) specify the refinancing conditions to which the redemption is subject (if any) and (iii) be otherwise irrevocable), redeem the Notes, in whole or in part, at any time or from time to time, prior to the Relevant

Redemption Date (the “**Make-whole Redemption Date**”) at their Make-whole Redemption Amount.

The “**Make-whole Redemption Amount**” will be calculated by the Make-whole Calculation Agent and will be an amount in the Specified Currency rounded to the nearest cent (half a cent being rounded upwards) being the greater of (x) 100 per cent. of the Principal Amount of the Notes so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes until the Relevant Redemption Date (determined on the basis of the interest rate applicable to the Notes (not including any interest accrued on the Notes from and including the Issue Date or, as the case may be, the scheduled Interest Payment Date immediately preceding such Make-whole Redemption Date to, but excluding, such Make-whole Redemption Date)) discounted from the Relevant Redemption Date, 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 Notes to, but excluding, the Make-whole Redemption Date.

“**Make-whole Calculation Agent**” means BNP Paribas, or any successor thereto, or any other international credit institution or financial services institution or any other competent entity of recognised standing with appropriate expertise appointed by the Issuer in relation to a Series of Notes, as specified as such in the relevant Final Terms.

“**Principal Amount**” means the Specified Denomination of the Notes, subject, as the case may be, to any adjustment as described in Condition 6(f).

The “**Redemption Rate**” means:

- (i) the yield to maturity of the Reference Security (as specified in the relevant Final Terms) expressed as an annual rate as determined by the Make-whole Calculation Agent based on the Reference Security mid-market price published on the relevant Regulated Market on the fourth (4th) business day in Paris preceding the Make-whole Redemption Date at 11.00 a.m. (Central European time (CET)); or
- (ii) if the Reference Security price cannot be determined in accordance with (i) above, the yield to maturity of the Reference Security (as specified in the relevant Final Terms) expressed as an annual rate as determined by the Make-whole Calculation Agent based on the Reference Security mid-market price published on the relevant Bloomberg screen page (or such other page or service as may replace it for the purpose of displaying such price) on the fourth (4th) business day in Paris preceding the Make-whole Redemption Date at 11.00 a.m. (Central European time (CET)); or
- (iii) if the Make-whole Calculation Agent is unable to determine the Reference Security price pursuant to (i) or (ii) above, 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 (4<sup>th</sup>) business day in Paris preceding the Make-whole Redemption Date at 11.00 a.m. (Central European time (CET)).

If the Reference Security is no longer outstanding, a Similar Security will be chosen by the Make-whole Calculation Agent after prior consultation with the Issuer if practicable under the circumstances at 11.00 a.m. (Central European time (CET)) on the third (3<sup>rd</sup>) business day in Paris preceding the Make-whole Redemption Date, quoted in writing by

the Make-whole Calculation Agent to the Issuer and notified in accordance with Condition 13.

“**Reference Dealers**” means each of the four banks selected by the Make-whole 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.

“**Relevant Redemption Date**” means either (i) the Maturity Date or (ii) the Residual Maturity Call Option Date, if a Residual Maturity Call Option is specified as applicable in the relevant Final Terms.

“**Similar Security**” means a reference bond or reference bonds having an actual or interpolated maturity comparable with the remaining term of the Notes that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.

The Make-whole Redemption Amount and the Redemption Rate will be notified in accordance with Condition 13.

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 wilful default, bad faith or manifest error) be final and binding upon all parties.

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

The Make-whole Calculation Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

- (c) **Residual Maturity Call Option:** If a Residual Maturity Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice in accordance with Condition 13 to the Noteholders redeem the Notes (or such other notice period as may be specified in the relevant Final Terms), in whole but not in part, at the Principal Amount of the Notes so redeemed (their “**Optional Redemption Amount**”) together with any interest accrued to, but excluding, the date fixed for redemption, at any time during the period starting on (and including) the Residual Maturity Call Option Date (as specified in the relevant Final Terms) and ending on (but excluding) the Maturity Date.
- (d) **Clean-up Call Option by the Issuer:** If a Clean-up Call Option by the Issuer is specified in the relevant Final Terms, in the event that at least 80% of the initial aggregate principal amount of a particular Series of Notes (which for the avoidance of doubt include any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) has been purchased or redeemed by the Issuer, the Issuer may, at its option but subject to having given not more than thirty (30) nor less than fifteen (15) calendar days' irrevocable notice to the Noteholders in accordance with Condition 13, redeem, in whole but not in part, the Notes in that Series at their Early Redemption Amount together with any interest accrued to the date set for redemption.
- (e) **Redemption at the Option of the Issuer:** If a Call Option is specified in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice in accordance with Condition 13 to the Noteholders (or

such other notice period as may be specified in the relevant Final Terms) redeem, in whole or, if so provided in the relevant Final Terms, in part, the Notes on any Optional Redemption Date, as the case may be. Any such redemption (i) must relate to 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 or (ii) may be made at its Optional Redemption Amount as specified in the relevant Final Terms together with interest accrued to the date fixed for redemption.

All 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.

- (f) **Partial Redemption:** In the case of a partial redemption, the redemption shall be effected by application of a pool factor (corresponding to a reduction of the nominal amount of all Notes in a Series in proportion to the aggregate nominal amount redeemed), subject to compliance with any other applicable laws and stock exchange requirements.

So long as the Notes are 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 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* and on the website of any other competent authority and/or Regulated Market of the EEA Member State where the Notes are admitted to trading a notice specifying the aggregate nominal amount of Notes outstanding.

- (g) **Redemption at the Option of the Noteholders and Exercise of Noteholders' Options:** If a Put Option is specified in the relevant Final Terms the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount as specified in the relevant Final Terms together with interest accrued to the date fixed for redemption.

To exercise such option the Noteholder must deposit with any Paying Agent at its specified office a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained from any Paying Agent or the Registration Agent, as the case may be, within the notice period. The Noteholder shall transfer, or cause to be transferred, the Notes to be redeemed to the account of the Paying Agent specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred may be withdrawn without the prior consent of the Issuer.

- (h) **Redemption at the option of Noteholders following a Change of Control:** If at any time while any of the Notes remains outstanding (A) a Change of Control occurs and (B) within the Restructuring Period (i) (if at the time of the Change of Control the Issuer and/or the Notes outstanding have a rating from a Rating Agency) a Rating Downgrade in respect of that Change of Control occurs or (ii) (if at the time of the Change of Control the Issuer and/or the Notes outstanding do not have a rating from a Rating Agency) a Negative Rating Event in respect of that Change of Control occurs (such Change of Control and Rating Downgrade or Negative Rating Event, as the case may be, occurring within the Restructuring Period and, in the case of a Rating Downgrade, not having been cured prior to the expiry of the Restructuring Period, together called a "**Put Event**"), each Noteholder will have the option (the "**Change of Control Put Option**") (unless, prior to the giving of the Put Event Notice referred to below, the Issuer has given notice of any early redemption

in respect of the Notes) to require the Issuer to redeem or, at the Issuer's option, procure the purchase of that Note on the Optional Redemption Date (as defined below). Each Note shall be redeemed or purchased at its principal amount (their “**Optional Redemption Amount**”) together with (or where purchased, together with an amount equal to) any interest accrued to (but excluding) the Optional Redemption Date.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a “**Put Event Notice**”) to the Noteholders in accordance with Condition 13, with a copy to the Fiscal Agent, specifying the nature of the Put Event and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, a Noteholder must give notice to the relevant Account Holder, with a copy to the Fiscal Agent in or substantially in the form set out in the Agency Agreement, duly completed and signed on its behalf (the “**Put Notice**”), on any Business Day falling within the period of forty-five (45) days after a Put Event Notice is given (the “**Put Period**”). The Put Notice shall include instructions for the transfer of such Noteholders' Notes to the specified account of the Fiscal Agent for the redemption or purchase of such Notes.

The form of the Put Notice shall be available from the Fiscal Agent.

Payment in respect of such Notes will be made on the Optional Redemption Date by transfer to the bank account specified in the Put Notice. A Put Notice once given shall be irrevocable. The Issuer shall redeem or, at its option, procure the purchase of the relevant Notes on the Optional Redemption Date unless previously redeemed or purchased.

For the avoidance of doubt, the Issuer shall have no responsibility for any breakage costs which the Noteholder may incur as a result of or in connection with such Noteholder's 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). The Issuer shall be responsible for any administrative costs e.g. notices etc arising as a result of in connection with any Noteholder's exercise or purported exercise of, or otherwise in connection with, any Change of Control Put Option.

For the purpose of this Condition:

“**Change of Control**” shall be deemed to have occurred at each time (whether or not approved by the Board of Directors of the Issuer) that any Person or Persons acting in concert (within the meaning of Article L.233-10 of the French *Code de commerce*), other than by an entity of the BNP Group, shall come to acquire, or come into possession, directly or indirectly, beneficially and/or of record, more than fifty per cent. (50%) of the shares or voting rights of the Issuer.

“**Negative Rating Event**” shall be deemed to have occurred (i) if the Issuer does not on or before the forty-fifth (45<sup>th</sup>) Business Day after the relevant Change of Control seek to obtain from a Rating Agency, a rating of the Notes, failing which, a corporate rating or (ii) if it does so seek, it has not at the expiry of the Restructuring Period and as a result of such Change of Control obtained such a rating of at least (a) the grade assigned to the Notes at the time of their issuance, failing which, (b) the grade of the corporate rating assigned to the Issuer at the time of the issuance of the Notes, failing which, (c) the grade of the most recent corporate rating assigned to the Issuer, provided that the Rating Agency (A) announces or publicly confirms or, (B) having been so requested by the Issuer, informs the Issuer or the Fiscal Agent in writing that its declining to assign such rating was the

result, in whole or in part, of the applicable Change of Control (whether or not the Change of Control shall have occurred at the time such rating is declined).

“**Optional Redemption Date**” means the fifth (5<sup>th</sup>) Business Day after the expiry of the Put Period.

“**Rating Agency**” means S&P Global Ratings Europe Limited (“**S&P**”) and Fitch Ratings Ireland Limited (“**Fitch**”) and their successors or any other rating agency of equivalent standing notified by the Issuer to the Noteholders in accordance with Condition 13.

“**Rating Downgrade**” shall be deemed to have occurred in respect of a Change of Control if (within the Restructuring Period) the rating previously assigned to the Notes or to the Issuer by any Rating Agency solicited by the Issuer is (x) withdrawn or (y) changed from an investment grade rating (BBB- by S&P, BBB- by Fitch, or their equivalents for the time being, or better) to a non-investment grade rating (BB+ by S&P, BB+ by Fitch, or their equivalents for the time being, or worse) or (z) if the rating previously assigned to the Notes or to the Issuer by any Rating Agency solicited by the Issuer was below an investment grade rating (as described above), lowered by at least one full rating notch (for example, from BB+ to BB for S&P, BB+ to BB for Fitch, or their respective equivalents), provided that the Rating Agency making the reduction in rating announces or publicly confirms or, having been so requested by the Issuer, informs the Issuer and the Fiscal Agent in writing that the lowering was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the Rating Downgrade). If the Notes or the Issuer are rated by more than one Rating Agency, a Rating Downgrade shall be deemed to have occurred in respect of a particular Change of Control only if all the Rating Agencies have withdrawn or lowered its rating.

“**Restructuring Period**” means the period beginning one hundred and twenty (120) days prior to, and ending one hundred and twenty (120) days after, the date of the public announcement of the result (*avis de résultat*) by the AMF of the relevant Change of Control.

(i) **Optional Redemption Amount, Early Redemption Amount and Make-whole Redemption Amount:**

(i) Zero Coupon Notes:

- (A) The Optional Redemption Amount, the Early Redemption Amount or the Make-whole Redemption Amount, as the case may be, payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Conditions 6(b), 6(c), 6(d), 6(e), 6(g), 6(h), 6(j) and 6(m) or upon it becoming due and payable as provided in Condition 9 shall be calculated as provided below.
- (B) Subject to the provisions of sub-paragraph (C) below, the Optional Redemption Amount, the Early Redemption Amount or the Make-whole Redemption Amount of any such Note shall be the scheduled Final Redemption Amount of such 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 Optional Redemption Amount, an Early Redemption Amount or a Make-whole Redemption Amount equal to the issue price of

the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Optional Redemption Amount, the Early Redemption Amount or the Make-whole Redemption Amount payable in respect of any such Note upon its redemption pursuant to Conditions 6(b), 6(c), 6(d), 6(e), 6(g), 6(h), 6(j) and 6(m) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Optional Redemption Amount, the Early Redemption Amount or the Make-whole Redemption Amount due and payable in respect of such Note shall be as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Optional Redemption Amount, the Early Redemption Amount or the Make-whole Redemption Amount becomes due and payable were the Relevant Date. The calculation of the Optional Redemption Amount, the Early Redemption Amount or the Make-whole Redemption 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 Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(e).

Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

- (ii) Other Notes:

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(j) or Condition 6(m), or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption unless otherwise specified in the relevant Final Terms.

- (j) **Redemption for Taxation Reasons:**

- (i) If, by reason of any change in French law, or any change in the official application or interpretation of such 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 Notes not be able to make such payment without having to pay additional amounts as specified under Condition 8 (b) below, the Issuer may, at its option, on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time, (if this Note is not a Floating Rate Note) subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 13, redeem, in whole but not in part, the 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 or deduction for French taxes.
- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amounts then due and payable, notwithstanding the undertaking to pay

additional amounts contained in Condition 8 (b) 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 (7) calendar days' prior notice to the Noteholders in accordance with Condition 13, redeem, in whole but not in part, the Notes then outstanding at their Early Redemption Amount together with any interest accrued to the date set for redemption on (A) the latest practicable Interest Payment Date (if this Note is a Floating Rate Note) on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) fourteen (14) calendar days after giving notice to the Fiscal Agent as aforesaid or (B) at any time, (if this Note is not a Floating Rate Note), provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes or, if that date is passed, as soon as practicable thereafter.

- (k) **Purchases:** The Issuer shall have the right at all times to purchase Notes in the open market or otherwise at any price subject to the applicable laws and/or regulations. Unless the possibility of holding and reselling is expressly excluded in the relevant Final Terms, all Notes so purchased by the Issuer may be held and resold in accordance with French laws and regulations.
- (l) **Cancellation:** All Notes purchased by or on behalf of the Issuer for cancellation must be cancelled by transfer to an account in accordance with the rules and procedures of Euroclear France and, if so transferred, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all rights relating to payment of interest and other amounts relating to such Notes). Any Notes so cancelled or, where applicable, transferred for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (m) **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 Notes, the Issuer will, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 13, redeem, in whole but not in part, the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption.

## 7 Payments

- (a) **Notes:** Payments of principal and interest in respect of the Notes shall (in the case of Notes in bearer form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the Noteholders and, (in the case of Notes in fully registered form), to an account denominated in the relevant currency with a Bank designated by the Noteholders. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.

“**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to T2.

- (b) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**U.S. Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the U.S. Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders in respect of such payments.
- (c) **Appointment of Agents:** The Fiscal Agent, the Paying Agent, the Calculation Agent, the Redenomination Agent and the Consolidation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each such case, do not assume any obligation or relationship of agency for any Noteholder. 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 Consolidation Agent and the Registration Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, 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 Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) Paying Agents having specified offices in at least two major European cities (including Paris so long as the Notes are admitted to trading on Euronext Paris and, so long as the rules of, or applicable to, the relevant Regulated Market so require), (v) in the case of Notes, in fully registered form, a Registration Agent and (vi) such other agents as may be required by any other Regulated Market on which the Notes may be listed or admitted to trading.

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 12, 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 13.

- (d) **Non-Business Days:** If any date for payment in respect of any Note 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, unless otherwise specified in the relevant Final Terms. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) (A) on which Euroclear France is open for business, (B) 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), 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 T2 Business Day.

## 8 Taxation

- (a) **Withholding Taxes:** All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes 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, pursuant to French law or regulation, payments of principal, interest or other revenues in respect of any Note become subject to withholding or deduction for any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Note, after such withholding or deduction, will receive the full amount then due and payable thereon in the absence of such withholding or deduction; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with France other than the mere holding of such Note.

Any references in these Conditions to principal and/or interest shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 8.

## 9 Events of Default

Any Noteholder may, upon written notice to the Issuer before all defaults shall have been remedied, cause the Notes held by such Noteholder to become immediately due and payable, whereupon such Notes shall become immediately due and payable at their Early Redemption Amount, plus any accrued interest, without any other formality, if any of the following events (each an “**Event of Default**”) shall occur:

- (a) the Issuer is in default for more than thirty (30) calendar days for the payment of principal of, or interest on, any Note (including the payment of any additional amounts in accordance with Condition 8), when the same shall become due and payable; or
- (b) the Issuer is in default in the performance of, or compliance with, any of its other obligations under the Notes and such default has not been cured within forty-five (45) calendar days after the receipt by the Fiscal Agent and the Issuer of the written notice of such default; or
- (c) if a judgement is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole or part of the business (*cession totale ou partielle de l'entreprise*) of the Issuer or, to the extent permitted by applicable law, if the Issuer is subject to any other insolvency or bankruptcy proceedings or the Issuer makes any judicial conveyance, assignment, or other judicial arrangement for the benefit of its creditors or enters into a composition with its creditors.

## 10 Prescription

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 11 Representation of Noteholders

The Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (the “*Masse*”).

The *Masse* will be governed by the provisions of Articles L.228-46 *et seq.* of the French *Code de commerce* 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 collective decisions of the Noteholders (the “**Collective Decision(s)**”).

The *Masse* alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which may accrue with respect to the Notes, without prejudice to the rights that Noteholders may exercise individually in accordance with, and subject to, the provisions of these Conditions.

(ii) **Representative**

The names and addresses of the Representative and its alternate (if any) will be set out in the relevant Final Terms. Unless otherwise specified in the relevant Final Terms, the Representative shall be:

**Aether Financial Services**

36 rue du Monceau

75008 Paris

France

Email : [agency@aetherfs.com](mailto:agency@aetherfs.com)

Represented by Henri-Pierre Jeancard

The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single *Masse* of all subsequent Tranches in such Series.

The Issuer shall pay to the Representative an amount of Euro 400 (tax excluded) per year and per Series so long as any of the Notes of each Series is outstanding (unless otherwise specified in the relevant Final Terms). The alternate representative will only become entitled to the annual remuneration if it exercises the duties of Representative on a permanent basis; such remuneration will accrued from the day on which it assumes such duties.

In the event of death, liquidation, retirement, resignation or revocation of appointment of the Representative, such Representative will be replaced by its alternate, if any. Another Representative may be appointed.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative, if any, at the registered office of the Issuer.

(iii) **Powers of the Representative**

The Representative shall (in the absence of any Collective Decision to the contrary) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders, with the capacity to delegate its powers.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

(iv) **Collective Decisions**

Collective Decisions are adopted either in a general meeting (the “**General Meeting**”) or by consent following a written consultation (the “**Written Resolution**”) (as further described in Condition 11(iv)(b) below).

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) of the name of such Noteholder as of 0:00 Paris time, on the second (2nd) business day in Paris preceding the date set for the Collective Decision.

Collective Decisions must be published in accordance with Condition 13(e).

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of any of the Notes of such Series.

**(a) General Meeting**

A General Meeting may be called at any time, either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30) of the principal amount of the relevant 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 called within two (2) months after such demand, the Noteholders may commission one of them to petition the competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

General Meetings may deliberate validly on first convocation only if the Noteholders present or represented hold at least one-fifth (1/5) of the principal amount of the relevant Notes then outstanding. On second convocation, no quorum shall be required. The decisions of the General Meeting shall be taken by a two-third (2/3) majority of votes held by the Noteholders attending such General Meetings or represented thereat.

Notice of the date, time, place and agenda of any General Meeting will be published in accordance with Condition 13(e) not less than fifteen (15) calendar days prior to the date of the General Meeting on first convocation and not less than five (5) 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 or by correspondence.

Each Noteholder or representative thereof will have the right to consult or make a copy of the text of the resolutions which will be proposed and of the reports, if any, which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer and at any other place specified in the notice of the General Meeting, during the fifteen (15) calendar day period preceding the holding of the General Meeting on first convocation, or during the five (5) calendar day period preceding the holding of the General Meeting on second convocation.

The General Meeting is chaired by the Representative. In the event of the absence of a Representative at the start of a General Meeting and if no Noteholder is present or represented at the General Meeting, the Issuer may, notwithstanding the provisions of Article L.228-64 of the French *Code de commerce*, designate a provisional chairman until a new Representative has been appointed.

**(b) Written Resolutions and Electronic Consent**

Pursuant to Article L.228-46-1 of the French *Code de commerce* 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 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**”).

Written Resolution shall not have to comply with formalities and time limits referred to in Condition 11(iv)(a) above. Any Written Resolution shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders. For the purpose hereof, a “**Written Resolution**” means a resolution in writing signed by or on behalf of one or more Noteholders holding together at least 75 per cent. of the principal amount of the relevant Notes outstanding.

**(c) Exclusion of certain provisions of the French *Code de commerce***

The provisions of Articles L.228-48, L.228-65 I. 1°, 3°, 4°, 6° and II, L.228-71, R228-63 R.228-69, L.236-14 and L.236-23 of the French *Code de commerce* and the related provisions of the French *Code de commerce* shall not apply to the Notes.

**(v) Expenses**

The Issuer shall pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of Collective Decisions and, more generally, all administrative expenses resolved upon by the Collective Decisions, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

**(vi) 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 12, 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.

**(vii) Sole Noteholder**

If and for so long as the Notes of any Series are held by a sole 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 provision of the French *Code de commerce*. The Issuer shall hold a register of the decisions taken by the sole Noteholder in this capacity and shall make it available, upon request, to any subsequent holder of any of the Notes of such Series.

**(viii) Notice to the Noteholders**

Any notice to be given to Noteholders in accordance with this Condition 11 shall be given in accordance with Condition 13(e) below.

(ix) **Outstanding Notes**

For the avoidance of doubt, in this Condition 11, the term “outstanding” shall not include those Notes purchased by the Issuer in accordance with French laws and regulations that are held by it and not cancelled.

**12 Further Issues and Consolidation**

- (a) **Further Issues:** The Issuer may from time to time without the consent of the Noteholders create and issue further notes to be assimilated (*assimilées*) and form a single Series with the Notes provided such Notes and the further notes carry rights identical in all respects (or identical in all respects save for Issue Date, Issue Price, the first payment of interest and the aggregate nominal amount of the Tranche) and that the terms of such further notes provide for such assimilation and references in these Conditions to “Notes” shall be construed accordingly.
- (b) **Consolidation:** The Issuer may, with the prior approval (which shall not be unreasonably withheld) of the Redenomination Agent and Consolidation Agent, from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than thirty (30) calendar days’ prior notice to the Noteholders in accordance with Condition 13, without the consent of the Noteholders, 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.

**13 Notices**

- (a) Notices to the holders of 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 and admitted to trading on Euronext Paris, (x) in a leading daily newspaper of general circulation in France (which is expected to be *Les Echos*), or (y) in a leading daily newspaper of general circulation in Europe or (z) in accordance with Articles 221-3 and 221-4 of the General Regulation (*Règlement Général*) of the *Autorité des marchés financiers* and, (b) so long as such Notes are listed and admitted to trading on any Regulated Market and the rules of such Regulated Market so require, (x) in a leading daily newspaper with general circulation in the city where the Regulated Market on which such Notes are listed and admitted to trading is located or (y) on the website of any other Regulated Market where the Notes are listed and admitted to trading.
- (b) Notices to the holders of Notes in bearer form (*au porteur*) shall be valid if published, (i) so long as such Notes are listed and admitted to trading on Euronext Paris, (a) 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 or (c) in accordance with Articles 221-3 and 221-4 of the General Regulation (*Règlement Général*) of the *Autorité des marchés financiers* and, (ii) so long as such Notes are listed and admitted to trading on any Regulated Market and the rules of such Regulated Market so require, (a) in a leading daily newspaper with general circulation in the city where the Regulated Market on which such Notes are listed and admitted to trading is located or (b) on the website of any other Regulated Market where the Notes are 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.

- (d) Notices required to be given to the holders of 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 13 (a) and (b) above; except that notices will be published (a) so long as such Notes are listed and admitted to trading on Euronext Paris, in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the AMF, and (b) so long as the Notes are listed and admitted to trading on any Regulated Market(s) and the rules of such Regulated Market(s) so require, on the website of any other competent authority or Regulated Market where the Notes are admitted to trading, or (c) as otherwise provided in applicable laws, regulations or rules.
- (e) Notices relating to the convocation of the General Meetings and decision(s) of the Collective Decisions pursuant to Condition 11 and pursuant to Articles R. 228-79 and R. 236-14 of the French *Code de commerce* shall 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 and, if such publication is not practicable in respect of Notes in registered form (*au nominatif*), by mail to the Noteholders at their respective addresses, in which case they will be deemed to have been given notice on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing.

#### **14 Governing Law and Jurisdiction**

- (a) **Governing Law:** The Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes may be brought before any competent court located within the jurisdiction of the registered office of the Issuer.

## **USE OF PROCEEDS**

The net proceeds from the issue of the Notes will (as specified in the relevant Final Terms) be applied by the Issuer to be used for the Issuer's general corporate purposes or as stated in the relevant Final Terms in respect of any particular issue of Notes for which there is a particular identified use of proceeds (other than as specified above).

## DESCRIPTION OF ARVAL

### *History and development*

Fully owned by BNP Paribas, the Issuer was founded in 1989 as a specialist in full service vehicle leasing and mobility solutions for large international corporates, SMEs, professionals and individuals.

It has a long track record of profitable operations (net income of 499.2 M€ in 2019 and of 518.6 M€ in 2020)<sup>10</sup> and its organic fleet growth has been higher than 7.5% per year since 2016, supported by a growing market both on corporate and individual segments.

In 1995, the Issuer and PHH (then acquired by Element) founded the Element-Arval Global Alliance. Today, this global partnership is present in 50 countries and is providing leasing and associated services in the respective countries of Arval Group and Element with a view to offer customers a worldwide geographic coverage together with standardised high quality of services through a common quality charter.

In 2015, the Arval Group strengthened its position on the European leasing market by acquiring GE Capital Fleet Services in Europe.

In 2020, the Issuer launched Arval Beyond, a new strategic plan to reflect the evolution of its positioning from car-leasing to mobility including the car. Arval also acquired from BNP Paribas Ireland Greenval Insurance DAC, a small insurance company incorporated under Irish laws and fully owned by the BNP Group which exclusively proposes insurance covers to Arval Group and its clients since its foundation in 2007.

### *Products and services offering*

The Issuer's core business focuses on full-service vehicle leasing (which represented 98% of total fleet at the end of 2022 and at the end of June 2023). In addition, remarketing is part of the business activity of the Issuer as, at the end of the vehicle leasing, the Issuer sells the used car. The Issuer also develops various integrated mobility solutions, adapting to customer needs. Fleet management (which represented 2% of the fleet at the end of 2022 and at the end of June 2023) and consulting services are also parts of the Issuer's products and services offered.

**Full-service leasing** allows customers to use a vehicle without legal ownership, the customer pays a monthly rent which covers the financing, depreciation of the vehicle and the cost of various management services provided relating to the vehicle. The Issuer has a consulting role and will advise the customer on selecting the vehicle-related services.

The Issuer proposes long term rental under full service leasing ("**LTR**"), but also mid-term rental ("**MTR**"). MTR offers a leasing solution for a period between 1 and 24 months and is attractive for customer by providing a response to their specific or even organizational needs via offering them less commitment (vehicles available within 48 hours) and more competitive rates than short-term rental. The Issuer also proposes the **Re-lease**, offering customers the option of leasing selected used vehicles.

Services available under a full-service lease include the following (at the choice of the customer):

- **vehicle selection** – the customer chooses the vehicle (brand, model and options) and the leasing company purchases the vehicle selected by the customer and/or his/her driver;

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<sup>10</sup> Arval's audited combined accounts including Greenval.

- **repair, maintenance and tyres** – the leasing company provides repair, maintenance and tyre replacement services for both routine and emergency situations through its network of selected workshops and tyre fitters;
- **insurance** – third party liability, material damage, theft & fire, legal expenses, financial loss and driver insurance are distributed or made available by the Issuer to its customers;
- **driver support and roadside assistance;**
- **relief vehicles** – the Issuer may arrange for provision of a replacement vehicle in case of routine maintenance or accident repairs;
- **flexibility and technology:** the Issuer proposes various digital services in order to offer more flexibility on contracts and leveraging technology and connected services for an increased experience to drivers and passengers (in car delivery, street parking payment, access to information and entertainment):
  - *Arval Outsourcing Solutions* is a solution to outsource agreed daily driver related tasks while ensuring a great user experience of the drivers.
  - *Arval Connect* is an in-house solution for connected cars, combining two major elements: monitoring system and digital web-platform to receive fleet data.
  - *My Arval Mobile* is “ALL-in-ONE” application and incremental part of the digital story for drivers. It offers access to a wide range of services and support leading the driver through the contract life-cycle.

**Remarketing / Sale of used cars:** the Issuer sells the used vehicles at the end of the lease period, around 300,000 vehicles are sold by the Arval Group per year (among which around 63,960 vehicles were sold by Arval France in 2022). 60% of vehicles are sold to vehicle traders using MotorTrade, a digital auction platform to ensure a competitive valuation is received for each vehicle. 20% of vehicles are sold to international buyers, with export managed through the Arval Trading entity (a French company fully owned by the Issuer). 20% vehicles are sold directly to consumers, either online, through retail partners or to the driver at the end of the lease. Since 2021, there have also been the growing development of **Re-lease**, offering customers the option of leasing selected used vehicles.

**Mobility services:** the Issuer is constantly answering clients’ needs and develops integrated and seamless mobility solutions for employees of its clients which involve not only cars but also other means of transportation and which offer various mobility means, in particular:

- *Arval Car Sharing* is a digital app which enables Arval clients' fleet cars to be available for short and flexible use in a full digital mode. Drivers can manage booking, car pickup and return from a dedicated Application on their mobile phone for professional or private purposes.
- *Arval Bike Lease* consists in providing a comprehensive bike solution to the employees of Arval’s corporate clients composed by the leasing of the bike, the service, maintenance and repair of the bike, and optional assistance and insurance;
- *Arval Mobility as a Service Platform* offers a B2B mobility platform aggregating Arval and third parties mobility services (including public transport), allowing employees to plan, book and pay their trip through a dedicated application and use a mobility budget, and allowing corporates to manage this budget and taxes, reporting, user accounts, etc...

**Fleet management** is the provision of fleet management services when the customer outsources to the Issuer the management of its own fleet of vehicles (in respect of vehicles not owned by the Issuer) but either owned by the customer or leased by another company to the customer).

**Consulting services:** the Issuer advises clients thanks to its consultative approach. Arval Consulting is a service aimed at providing solutions to its clients with their strategic and organisational issues by maximising the performance of their fleet and supporting them in their energy and mobility transition. Arval Consulting has performed more than 10,000 missions since 2008 and is active in 11 countries.

### ***Sustainable development***

Committed to the United Nations Sustainable Development Goals, the Issuer defined in July 2020 a new corporate social responsibility (“**CSR**”) strategy, based on 4 pillars (economy, people, community and environment) and several engagements, which shows the issuer ambitions in terms of energy transition, alternative mobility and people diversity. In the context of sustainable development:

- in 2019, the Issuer’s environmental and social responsibility efforts have been awarded a gold recognition level on CSR platform Ecovadis! for the 4th year in a row;
- in 2018, the Issuer launched an innovative approach called SMaRT - Sustainable Mobility and Responsibility Targets following several step methodology that help clients define, implement and measure the progress of their fleet energy transition strategy;
- the Issuer has obtained an ISO 14001 certification in 2012 delivered by AFNOR (*L’Association française de normalisation*);
- the Issuer encourages its customers to give up their diesel vehicles when appropriate.

### ***Recent developments***

In October 2020, the Issuer announces its new strategic plan for 2020-2025 with the aim to become a leader in all sustainable mobility solutions, including the car.

The Issuer conducted a thorough strategic review in 2019 which confirmed customer expectations in terms of mobility and environmental impact, offering to the Issuer many opportunities to seize. Over the last few months, the impact of the sanitary crisis has only reinforced the Issuer’s conviction in this respect.

Arval Beyond strategic plan is a roadmap for the Arval Group between now and 2025 with the following targets:

- Arval’s growth and financial performance through in particular reaching 2 million leased cars worldwide;
- Arval’s CSR & Energy Transition resulting in 700,000 electrified vehicles in its fleet, 30% reduction in CO2 emissions vs. 2020, and Arval remaining a carbon neutral company;
- A business model, covering a wider mobility concept including the car;
- The percentage of the women’s share in Arval’s COMEX being 40%.

A treasury center, fully owned by ASL, has been created and allows Arval Group to centralize its treasury management in euro.

### ***Business overview***

Within the framework of its activities, Arval Group total fleet was 1,702,743 vehicles at 30 September 2023 (of which 1,668,161 in full service leasing), Arval Group total fleet was 1,626,112 vehicles at 31 December 2022 (of which 1,592,024 in full service leasing). Arval Group total fleet was 1,505,027 vehicles at 31 December 2021 (of which 1,469,753 in full service leasing).

There were 8,134 employees within the Arval Group and 1,499 employees within Arval France at the end of December 2022 (7,535 employees within the Arval Group and 1,455 employees within Arval France at the end of

December 2021 and 8,357 employees within the Arval Group and 1,537 employees within Arval France at the end of September 2023).

Vehicles are leased on a long term basis which gives high visibility on revenues. Average duration of vehicle leasing contracts is 42 months. All vehicle leasing contracts are with a duration at origination above 1 year and more than 90% of vehicle leasing contracts are with a duration at origination higher than 3 years. Revenues are well diversified with a financial margin, a service margin (including various types of services and insurance) and a used car margin.

Arval Group has a very large customer base with about 30,000 corporate clients and 270,000 retail clients. As at the end of December 2022, the Arval Group's customers were mainly mid & large corporates (68% of the Issuer's full service leasing fleet at the end of 2022), SMEs (18% of the Issuer's full service leasing fleet at the end of 2022), individual (10% of the Issuer's full service leasing fleet at the end of 2022) and Mid Term Rental activity (4% of the Issuer's full service leasing fleet at the end of 2022). Corporate clients are very diversified by industry with no industry segment above 14.2% of the portfolio.

Arval Group is proposing vehicle leasing services either directly to its customer under the "direct channel", or through an "indirect channel" based on contractual relationships between Arval Group and intermediaries in respect of the distribution of vehicle leasing contracts (e.g. car manufacturers, banks, insurance companies). These contractual arrangements accounted for 27% of the total fleet in full service leasing (including private lease contracts) of the Arval Group at 31 December 2022 (out of which 11% are constituted by contractual arrangements concluded with external partners and 16% by contractual arrangements with BNP Group).

Arval Group is mainly present in Europe (95% of the fleet) with 90% of the fleet in developed European countries. The Arval Group market share is about 19% in France, about 25% in Italy and about 23% in Spain<sup>11</sup> where it has # 1 market positions and 11% in the United Kingdom<sup>12</sup> (# 3 position), which altogether represented 62% of the Issuer's activity in 2022. The Issuer's market share is about 21% in Belgium and Poland, 8% in the Netherlands and 5% in Germany<sup>13</sup>. These eight countries represented 86% of the Issuer's activity in 2022. The remaining 14% is spread across 21 countries including, but not limited to Northern Europe, Central and Southern Europe, Turkey, Morocco and Latin America<sup>14</sup>.

The leased fleet registered good growth in 2022, at 8.3% over the year despite the Covid-19 pandemics (+6.4% year on year also in 2020 and +6.4% year on year in 2021). The growth was 9.7% year on year as at 30 September 2023 (7.0% at constant perimeter). In an environment that remains complex for the automotive sector, Arval's activity growth continued during the first half of 2023. Arval's financed fleet reached 1,642,997 vehicles worldwide as at end of June 2023, representing a 9.5% growth compared to the end of June 2022 (+6.7% at constant perimeter<sup>15</sup>). The leased fleet growth was supported in 2022 by the acquisition of Terberg Business Lease Group (TBLG) the 30 November 2022 (38.000 vehicles) and the acquisition of the activities of BCR in Romania the 30 October 2022 (3600 vehicles). The organic growth of the leased fleet was 5.5%. Over the last 5 years, the leased fleet of the Issuer grew at an average annual rate of 7.7%. The total fleet was 1.626 million vehicles at the end of December 2022 (1,702 million at the end of September 2023), up 8.0% compared with the previous year. All the geographical regions contributed to this performance. The leased fleet registered in 2022 a good rise in Europe despite the health crisis, 0.8% in France, 1.8% in Italy, 7.7% in Spain, 2.5% in the United Kingdom, 17.7% in Germany, 10.4% in

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<sup>11</sup>Frost & Sullivan at the end of 2021.

<sup>12</sup> FN50, November 2021, <https://www.fleetnews.co.uk/fleet-leasing/fn50-data/>

<sup>13</sup> Frost & Sullivan at the end of 2021 (market share before the acquisition of Terberg Business Lease Group for the Netherlands).

<sup>14</sup> Arval's unaudited internal source.

<sup>15</sup> Excluding in particular the impact of the acquisition of TBLG on 30 November 2022

Belgium (+8.0% excluding the impact of Terberg Business Lease Group's acquisition) and 69.8% in the Netherlands<sup>16</sup> (+8.7% excluding the impact of Terberg Business Lease Group's acquisition).

At 31 December 2022, Arval Group's consolidated non-current borrowing from financial institutions amounted to 17,451 million euros (17,215 million euros as at 30 June 2023).

Arval Group generated in 2022 a consolidated net profit of 1249.2 million euros<sup>17</sup> (720.5 million euros in 2021<sup>18</sup> and 770.0 million euros in the first half of 2023).

### Overview of the leasing markets

Arval is seeing a continuous change in behaviour from ownership to usage across different customer segments, including individuals. Hence, market has been growing for 25 years. Pay-as-you-use and risk outsourcing (vehicle resale, mechanical problems, etc.) initially attracted the largest companies and for 15 years mid-sized companies (Mid and SMEs) and for 5 years individuals. There are still plenty of geographies where SMEs still have strong growth expected in respect of leased vehicles, as do individuals. We are also seeing emerging growth in used cars leasing and more recent growth in Mid Term Rental. Arval Group's strategic partnerships with intermediaries in the distribution of vehicle leasing contracts (e.g. car manufacturers, brokers, banks, insurance companies, retail websites) will facilitate the acceleration of growth in the Retail segments.

The growth in mature markets is expected to come from the development of indirect channels to target SMEs, where penetration remains lower, but where there is a trend towards outsourcing of fleet. Emerging economies have a lower penetration of full-service leasing as a proportion of all vehicle registrations than mature markets, so there is strong growth potential as car fleets grow and more companies look to outsource their fleet management. The private lease segment is developing rapidly in a number of key markets and is expected to continue to do so in the context of the shift away from ownership.

In terms of energy, at the end of December 2022, the proportion of different types of vehicles at Arval Group was the following: 36% of light vehicles in full service leasing registrations were Diesel vehicles (44% at the end of December 2021 and 33% as at end of September 2023), 28% petrol vehicles (25% at the end of December 2021 and 28% as at end of September 2023), 22% hybrid vehicles (20% at the end of December 2021 and 19% as at end of September 2023), 11% electric vehicles (9% at the end of December 2021 and 16% as at end of September 2023), 3% other technologies vehicles (*Gaz Naturel pour Véhicules*, GNV (Gaz)) (2% at the end of December 2021 and 4% as at end of September 2023)<sup>19</sup>.

### Leasing market growth trends and drivers

The growth of the full-service leasing and fleet management market has been driven by several factors:

- the rising volume of corporate fleets has increased the importance and potential for fleet management solutions;
- customer acceptance of leasing has risen, as corporates have become aware of the potential to improve leverage and save costs by outsourcing non-core activities, thereby strengthening their performance;

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<sup>16</sup> Arval's unaudited internal source.

<sup>17</sup> Arval's audited consolidated accounts.

<sup>18</sup> Arval's audited consolidated accounts.

<sup>19</sup> Arval's unaudited internal source.

- there is an ongoing behavioural shift from ownership to usage across different customer segments, including private customers;

- the rise of connected cars and digital services encourages the development of new high value-added services for the customer to optimise the usage cost of vehicles. Such specialist technology solutions require niche expertise. Scale is needed to amortise costs of development, making it difficult to implement in-house by customers. New mobility solutions, such as car sharing, autonomous driving and connected cars, constitute opportunities for the Arval Group to expand its range of services to both corporate and private customers.

### ***Competitive position***

In its activities, the Issuer competes with other international full-service leasing companies. This includes both vertically integrated companies offering full-service leasing and financing services and companies that offer fleet management only. In some of the Issuer's markets, it also competes with strong local players offering full-service leases.

On a global scale, the full-service leasing market remains fragmented, with few players providing global coverage. The Issuer's key competitors are the ALD group, LeasePlan and Alphabet, which are international multi-brand leasing companies operating in the same geographies as the Issuer. Arval Group is a European leader in the multibrand full service leasing market. At the end of December 2022, Arval Group's full service leasing fleet reached 1,592 thousand vehicles (1,470 thousand vehicles as at 31 December 2021 and 1,668 thousand vehicles as at 30 September 2023), to be compared with 1,464 thousand vehicles for ALD as at 31 December 2022 (1,427 thousand vehicles as at 31 December 2021)<sup>20</sup> and to 1,253 thousand vehicles estimated for LeasePlan as at 31 December 2022 (1,316 thousand vehicles estimated as at 31 December 2021)<sup>21</sup>. On 6 January 2022, ALD announced the signing of a Memorandum of Understanding to acquire 100% of LeasePlan. The closing of the transaction took place on 22 May 2023 and resulted in the creation of the leader in multi brand full service leasing, "ALD | LeasePlan" which took the name of Ayvens. The fleet of Ayvens as at 30 September 2023 reached 2,691 thousand vehicles<sup>22</sup>. Alphabet reported 715 thousand fleet contracts at the end of December 2022 and 716 thousand fleet contracts as at 30 September 2023 (696 thousand fleet contracts at the end of 2021)<sup>23</sup>.

In financing, the Issuer competes with the captive finance subsidiaries of large car manufacturers. The Issuer also competes with third-party service providers that offer fleet consulting, bidding solutions and procurement.

Competitors in the global leasing services market generally fall into three broad categories based on their ownership structure, namely bank affiliates, car manufacturers' captives and independent operators. The ownership structure of a given competitor is often a key driver in the nature of its operations.

#### **(i) Bank affiliates**

Bank affiliates include entities that are part of a financial group, mostly subsidiaries of banks, such as ALD group (Société Générale). In many cases, multi-brand vehicle leasing started as an extension of conventional banking products to satisfy the needs of corporate customers, but gradually banks developed semi-autonomous leasing units within their corporate structure.

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<sup>20</sup>ALD Q4-2022 and Q4-2021 results press release.

<sup>21</sup>LeasePlan Q4-2022 and Q4-2021 results press release and Arval's own estimation.

<sup>22</sup> Ayvens Q3-2023 results

<sup>23</sup> BMW Half year report – 2023; BMW 2022 annual report and BMW 2021 annual report

(ii) Car manufacturers' captives

Car manufacturers' captives, *i.e.* entities owned and controlled by car manufacturers, generally focus on increasing sales of their owner's vehicle brands. These entities benefit from brand synergies and access to the dealership network of their manufacturer, parent or affiliate, but the growth of the business is tied to the underlying demand for the manufacturer's specific vehicle brands.

The importance of captive operating lease and fleet management companies, such as Volkswagen Leasing, RCI Bank, PSA Finance and FCA Leasys, is increasing as their parent companies seek to present themselves as all-round providers of mobility solutions who are able to capture a greater share of the market for acquiring and operating vehicles, rather than solely as car manufacturers.

The majority of larger car manufacturers have established special financial services subsidiaries to oversee their leasing businesses and, in some cases, to assist in raising funds for their manufacturing businesses.

(iii) Independent operators

Multi-brand independent operators include entities that are not directly related to banking institutions or car manufacturers. Lack of scale and access to external financing on attractive terms are the key challenges faced by such entities.

***Company name, incorporation, duration and registered office***

The Issuer is a French joint stock company (*société anonyme*) incorporated under French law on 6 November 1989 for a period of 99 years. The Issuer is registered under the name of Arval Service Lease in the Trade and Companies Registry (*Registre du commerce et des sociétés*) of Paris under number 352 256 424. The Issuer's registered office is at 1, boulevard Haussmann, 75009 Paris, France and its main establishment (*établissement principal*) is located 22-24 rue des Deux Gares 92500 Rueil-Malmaison, France. Telephone number: +33 1 57 69 57 00. The Legal Entity Identifier (LEI) of the Issuer is 969500UCL6ROAHVXQV60. The website of the Issuer is <https://www.arval.fr/>.

The Issuer is licensed as insurance broker (*courtier d'assurance*) and insurance agent (*mandataire*) with the French Prudential Supervision and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* ("ACPR")) and is authorised to propose various insurance covers to the lessees in relation to the leased vehicles. For the avoidance of doubt, the Issuer is not licensed as a credit institution.

The Issuer is governed, inter alia, by the French *Commercial Code*.

***Organisation structure***

***Share capital***

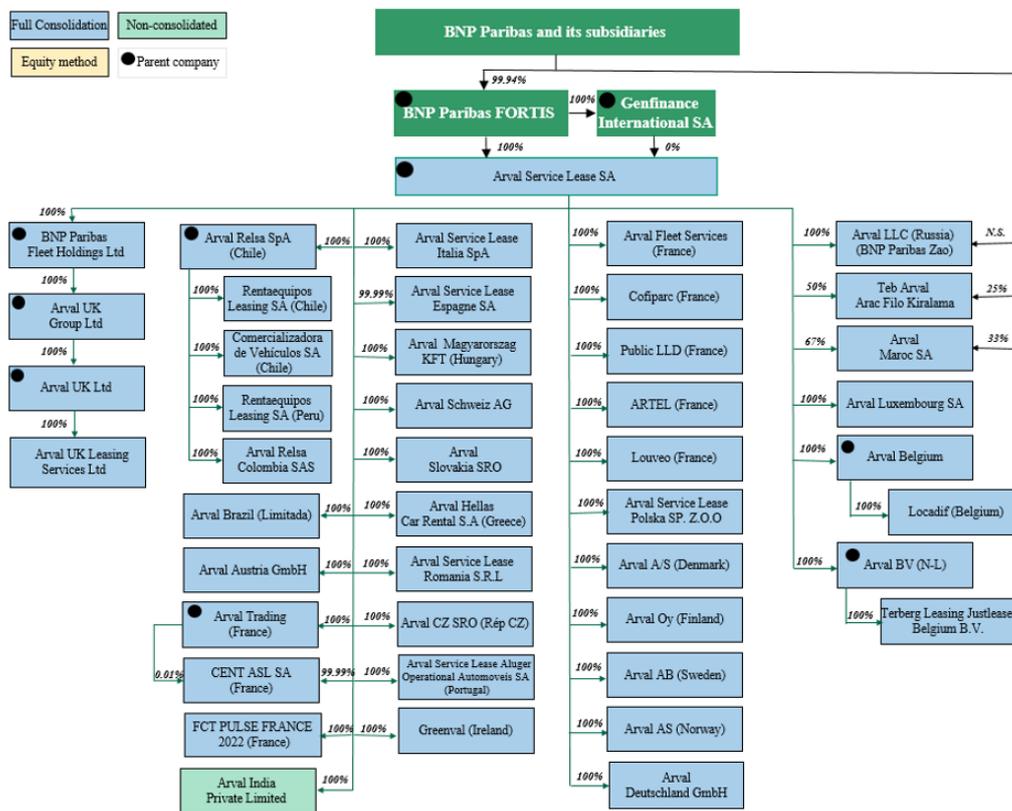
The Issuer's share capital, as of the date of this Base Prospectus, amounts to EUR 66,412,800 divided into 3,320,640 fully paid-up ordinary shares of EUR 20. The totality of the Issuer's share capital is held by BNP Fortis, Belgian joint stock company, with a share capital of 10,964,767,634.40 € with its registered office at Montagne du Parc 3, 1000 Bruxelles and registered under number of the VAT BE 0403 199 702, except for five (5) shares held by Genfinance, Belgian joint stock company, with a share capital of 496,000 € with its registered office at Montagne du Parc 3, 1000 Bruxelles and registered under number of the VAT BE 0421 429 267, whereas BNP Paribas is its indirect owner and there are no arrangements, known to the Issuer, which may result in a change in control of the Issuer.

There is no authorised and unissued share capital. There are no securities which grant rights to shares in the capital of the Issuer. All shares have equal voting rights.

The Issuer is a member of the BNP Group.

**Diagram**  
As at 30 June 2023

Diagram of the Arval Group



The Issuer is fully integrated within BNP Group organization and applies BNP Group governance, policies and procedures.

**Management and compliance with the corporate governance regulations**

Board of Directors

At the date of this Base Prospectus, the Board of Directors of the Issuer comprises the following persons:

Name	Title	Main activity outside the Issuer
Alain Groenendael	Chairman of the Board of Directors	None
Pierre Bouchara	Director	Chief Financial Officer of BNP Paribas Fortis
Paul Milcent	Director	Global Head of Mobility, BNP Paribas Personal Finance
Thierry Laborde	Director	Chief Operating Officer, BNP Paribas SA, Head of Retail Banking
Charlotte Dennery	Director	CEO, BNP Paribas Personal Finance
Sophie Heller	Director	Chief Operating Officer Retail Banking & Services, BNP Paribas

Sylviane Le Carré	Director	Head of CPI (Creditor Protection Insurance) development at BNP Paribas Cardif
Emmanuelle Bury Lucas	Director	Chief Compliance Officer Americas, CIB BNP Paribas New-York
Piet Van Aken	Director	Chief Risk Officer, BNP Paribas Fortis SA
Sebastien Dessillons	Director	Head of Industry Groups EMEA, CIB, BNP Paribas SA
Guylaine Dyevre	Director	Corporate Secretary of the Board of BNP Paribas SA

For the purpose of this Base Prospectus, the business address of the Directors is 22-24 rue des Deux Gares 92500 Rueil-Malmaison, France.

#### Executive management

The Issuer is headed by Alain Groenendael, Chief Executive Officer, in office since 14 December 2018. For the purpose of this Base Prospectus, the business address of the Issuer' Executive management is 22-24 rue des Deux Gares 92500 Rueil-Malmaison, France.

#### Board practices

The Issuer complies with the corporate governance regulations applicable to French *sociétés anonymes*, as provided by the French Commercial Code.

In the context of the EMTN program contemplated by the Issuer and described in this Base Prospectus, the article L. 823-19 of the French *Code de commerce* requires from the Issuer to strengthen its corporate governance by setting up an audit committee. Several exemptions to this principle are provided by Article L. 823-20 of the same code, notably in its paragraph 4 which allows the board of directors itself to assume such responsibilities.

According to the above, since the board meeting held on the 20<sup>th</sup> of November 2020, the board of directors of the Issuer assumes the roles and missions dedicated to the required audit committee; such audit committee being chaired by the president of the audit committee.

#### Conflict of interests

To the knowledge of the Issuer, the duties owed by the members of the board of directors of the Issuer do not give rise to any potential conflicts of interest with such members' private interests or other duties.

#### **Credit rating of the Issuer**

At the date of this Base Prospectus, the Issuer's long-term debt is rated A/ Stable outlook, by Fitch Ratings Ireland Limited A-/ Stable outlook, by S&P Global Ratings Europe Limited. It could in the future be rated by other rating agencies. A rating is not a recommendation to buy, sell, or hold securities. It may, at any time, be suspended, modified, or withdrawn by the rating agency concerned.

#### **Independent Auditors**

The Issuer appointed Mazars as auditor (*commissaires aux comptes*) and renewed in 2020 for a mandate of six years in compliance with applicable laws and regulations. Mazars is a member of *the Compagnie Régionale des Commissaires aux Comptes* of Versailles, whose registered office is at Tour Exaltis, 61 rue Henri Regnault, 92400 Courbevoie, France.

The Issuer appointed Deloitte & Associés as auditor (*commissaires aux comptes*) at the General Annual Meeting of 9 March 2021 for a mandate of 6 years in compliance with applicable laws and regulations. Deloitte & Associés is

a member of the Compagnie Régionale des Commissaires aux Comptes of Versailles, whose registered office is at 6 place de la Pyramide, 92908 Paris la Défense Cedex, France.

## RECENT DEVELOPMENTS

Rueil-Malmaison, 2 February 2024,

### **Arval announces excellent business results for 2023, with its fleet of leased vehicles growing by 6.9%**

*Arval performed extremely well in 2023: its fleet now comprises 1,701,540 leased vehicles worldwide, representing an organic growth of 6.9% compared with 2022, well above the market average. Significant progress was made with regard to fleet electrification, mobility and connected vehicles. The outlook for 2024, the final year of the Arval Beyond strategic plan, is positive.*

*Both a major player in long-term vehicle leasing and a provider of mobility solutions, Arval stepped up its growth in 2023, maintaining the positive momentum built up over previous years. Thus, as of the end of 2023:*

- *Arval increased its fleet of leased vehicles by 6.9% compared to 2022, with 1,701,540 vehicles. It now includes 166,363 battery electric vehicles (BEVs), 85% up on 2022. In the last quarter of 2023, BEVs accounted for 22% of new vehicle orders.*
- *International large corporates account for 440,000 leased vehicles worldwide, an increase of 8%.*
- *Local corporate segment clients account for 696,000 vehicles, an increase of 3%.*
- *The Retail segment reached 506,000 vehicles, up 12% compared with 2022.*
- *With 105,000 active users and 60,121 vehicles, Arval Flex, the flexible model of subscription (including medium-term rental for professionals) grew by 9%.*
- *The number of connected vehicles passed the 633,000 mark, an increase of 39% on the previous year.*

*Arval has 8,388 employees serving more than 300,000 customers in 29 countries.*

*“2023 was an exceptional year, as illustrated by the growth of our leased fleet, the progress we made in numerous areas and the development of our partnerships. We can all be very proud of our achievements,” says Alain van Groenendael, Chairman and CEO of Arval. “This bodes well for the opportunities and challenges that await us in 2024, which will be a year of transition for the market and for Arval. With the backing of BNP Paribas, our employees and our partners, we will continue to spur our growth by offering our customers ever stronger support as they carry out their energy transition.”*

### **Arval’s Achievements in 2023**

#### **Record fleet electrification**

*Having set a goal of 350,000 battery electric vehicles and an overall target of 700,000 electrified vehicles leased by 2025, contributing to the objective of reducing its fleet’s CO<sub>2</sub> emissions by 35% compared with 2020, Arval was already leasing more than 166,363 battery electric vehicles as of the end of 2023, an 85% increase on 2022.*

*To support the adoption of electric vehicles, Arval recently announced the launch of a new offering, Arval Charging Services, which allows a vehicle to be leased with a charging station and is available to both businesses and private customers.*

*Arval also signed an international agreement with ChargePoint, a major player in electric vehicle charging networks. This agreement allows Arval customers to have charging points at work and at home, with an automatic reimbursement system for drivers and access to a network of more than 500,000 charging points in Europe.*

*This new charging point offer is part of a range of solutions already provided by Arval and geared towards the energy transition, which include the use not only of battery electric vehicles, but also alternative or complementary mobility solutions.*

New international strategic partnerships

*Arval further strengthened its international collaboration by announcing a tripartite strategic cooperation agreement with its long-standing partner Element and Sumitomo Mitsui Auto Service (SMAS). The agreement will enable the Alliance's global clients to access vehicle leasing and fleet management services in Japan, Thailand, India, and Indonesia. Furthermore, the Alliance expanded to encompass SIXT Mega Rent in Serbia, Montenegro and Bosnia-Herzegovina.*

*Together, the partners in the Element-Arval Global Alliance manage more than 4.4 million vehicles and operate in 56 countries across five continents. The in-depth expertise and global reach offered by the Alliance provide significant added value to Arval's international clients.*

*In addition to maintaining strong banking partnerships (primarily with BNP Paribas, but also with CaixaBank in Spain and Portugal, UniCredit Bank in Austria, Erste Bank in Slovakia, etc.), Arval continued to work with other major players in the automotive sector, within the scope of international strategic partnerships such as those set up with Hyundai, Kia, Honda, Sixt, Astara, Emil Frey France, MG Motors and Volvo Cars.*

*Arval works also through white labels with strategic partners. In January 2023, Arval, BNP Paribas Cardif and BNP Paribas Personal Finance announced the launch of their partnership with Jaguar Land Rover, which focuses on integrated financing for mobility solutions in nine European markets. In June, Arval ramped up its cooperation with carmaker MG Motor by launching a joint vehicle subscription offering: "MG Auto Abo powered by Arval". In October 2023, Arval joined forces with premium electric vehicle brand ZEEKR, alongside BNP Paribas Personal Finance. As a multi-brand leasing company, Arval will continue to expand the selection of vehicle models available to its customers and is gearing up to announce in the coming days a new international partnership.*

Innovations that benefit mobility and customers alike

*In addition to supporting customers through the energy transition, Arval signed partnerships and launched several offerings to boost the adoption of mobility solutions.*

- The rollout of shared-mobility solutions for employees continued in 2023 with an additional six countries now on board. The Arval car sharing offering is now available in 15 countries, with a total of 125,000 bookings made on the platform in 2023 across all countries.
- The Arval Mobility Pass, a simple and innovative solution combining a payment card, an app and a management platform to enhance employer and employee mobility, was rolled out in 2023 with Edenred in Brazil, Betterway in France and XXImo in the Netherlands.
- Available in 14 countries, Arval Bike Leasing was up 65% by the end of 2023 compared with end-2022. To support this market growth, Arval expanded its long-term bike rental offering in France

by partnering with specialist startup Zenride.

- As of the end of December 2023, Arval had rolled out its used-car leasing offering, Arval Re-lease, in 21 countries, five more than the previous year, thus providing a smart solution that gives customers access to high-quality vehicles at attractive leasing rates, as well as extending the useful life of vehicles. The Arval Re-lease fleet grew by 139% year-on-year, demonstrating the enthusiasm of customers for this new type of offering.
- Arval reached the milestone of 633,000 connected vehicles in its fleet, a 39% increase compared to the previous year. This puts Arval on target to connect 80% of its fleet by 2025. Thanks to telematics technology and data intelligence, the Arval Connect digital solution allows clients to optimize their vehicle fleet costs, improve driver safety, speed up their energy transition and manage mobile teams more efficiently. With its connected insurance offer, Arval goes even further by providing to its customers a reduction of their monthly leasing rate, based on their driving style. Successfully launched in Italy, this service already shows a halving of road accidents. It will soon be deployed in Spain, in the Netherlands and in Belgium.

### Arval's ambitions for 2024

*In 2024, Arval's main objective in a rapidly changing market will be to build on the positive momentum of recent years, for the ultimate purpose of serving its customers and through the hard work of its highly motivated and committed employees. Also at the core of Arval's strategy will be the acceleration of the energy transition of fleets. Expanding the selection of battery electric vehicles available, implementing partnerships for vehicle charging, providing expertise and advice to clients for the development of mobility policies that include battery electric vehicles, and complementary mobility solutions that emit less CO<sub>2</sub> will be key to this ambition. Arval has already started with the launch on January 15<sup>th</sup> of Arval Charging Services, an offer which combines the leasing of a charging point with a battery electric vehicle. This offer completes the Arval on-the-road charging card system and the automatic reimbursement of the electricity consumption of vehicles at home.*

*Moreover, Arval's overall strategy to encourage mobility was rewarded in 2024 with an EcoVadis gold medal, placing Arval in the top 5% of the companies assessed. This award reflects the commitment of Arval's employees to engaging in more sustainable activities at all levels of the company.*

*With most of the plan's objectives set to be attained in the near future, 2024 will also mark the completion of Arval Beyond, which was launched in 2020. 2024 will therefore be the year in which Arval builds its new strategic plan. The plan will be announced in early 2025 and will mark a turning point in the company's history.*

*Following on from its 2023 business results, Arval will publish its annual financial statement on 8 March 2024.*

## SUBSCRIPTION AND SALE

### Summary of the Dealer Agreement

Subject to the terms and on the conditions contained in a dealer agreement dated 13 February 2024 (the “**Dealer Agreement**”) between the Issuer and the Dealer(s), the Notes will be offered on a continuous basis by the Issuer to the Dealer(s). 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(s). The Notes may also be sold by the Issuer through the Dealer(s), acting as agent(s) of the Issuer. The 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. The Issuer has agreed to indemnify the Dealer(s) against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealer(s) 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

#### General

These selling restrictions may be modified or supplemented by the agreement of the Issuer and the Dealer(s) following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit an offer of any of the Notes to retail investors, 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 other than in compliance with Article 1.4 of the Prospectus Regulation.

The Dealer has agreed, and each further Dealer appointed under the Programme will be required to 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 neither the Issuer nor any other Dealer shall have responsibility therefore.

#### European Economic Area

The 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 this provision:

- (a) the expression “**retail investor**” means a person who is one (or both) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
  - (ii) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

This EEA selling restriction is in addition to any other selling restrictions set out above or below.

## France

The Dealer(s) has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it undertakes to comply with applicable French laws and regulations in force regarding the offer, the placement or the sale of the Notes and the distribution in France of the Base Prospectus or any other offering material relating to the Notes.

## 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 may not be offered or sold, directly or indirectly, within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

The Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until forty (40) calendar days after the later of the commencement of the offering of any identifiable Tranche and the closing date, within the United States of America 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 as defined in Regulation S a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States of America or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until forty (40) calendar days after the later of the commencement of the offering of any identifiable Tranche and the closing date, 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 if such an offer or sale is made otherwise than in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

## United Kingdom

### *Prohibition of Sales to UK Retail Investors*

The 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.

For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or both) of the following:
  - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the IDD, 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 domestic law by virtue of the EUWA.
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

***Other regulatory restrictions***

The Dealer(s) has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes which have a maturity of less than one (1) year from the date of issue, (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 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;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

## FORM OF FINAL TERMS

**[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 (5) categories referred to in item 19 of the Guidelines published by European Securities and Markets Authority (“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**”); 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.]<sup>24</sup>

**[UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 (in accordance with the FCA’s policy statement entitled “*Brexit: our approach to EU non-legislative materials*”), has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients only, as defined in Regulation (EU) No 600/2014 as it forms part of UK 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. 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 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/s’] target market assessment) and determining appropriate distribution channels.]<sup>25</sup>

<sup>26</sup>

**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 both) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU, as amended (“**MiFID II**”)]/[MiFID II]; or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended or superseded (“**IDD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. 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.

**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 both) 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

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<sup>24</sup> To be included following completion of 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.

<sup>25</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>26</sup> To be included following completion of the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 (in accordance with the FCA’s policy statement entitled “*Brexit: our approach to EU non-legislative materials*”).

provisions of the Financial Services and Markets Act 2000, as amended (the “FSMA”) and any rules or regulations made under the FSMA to implement the IDD, 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. 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.

**Final Terms dated [●]**

*[Logo, if document is printed]*

**ARVAL SERVICE LEASE**

**Legal entity identifier (LEI): 969500UCL6ROAHVXQV60**

**SERIES NO: [●]**

**TRANCHE NO: [●]**

**Issue of [Brief Description and Amount of Notes]**

**Under the Euro 15,000,000,000**

**Euro Medium Term Note Programme**

for the issue of Notes

Issue Price: [●] per cent.

**[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 13 February 2024 which received approval no. 24-031 on 13 February 2024 from the *Autorité des marchés financiers* (the “AMF”) [and the supplement[s] to the Base Prospectus dated [●] which received approval no. [●] on [●] from the AMF], which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of Regulation (EU) 2017/1129, as amended (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 such Base Prospectus in order to obtain all the relevant information. The Base Prospectus is available for viewing on the website of the Issuer ([www.arval.com/investors](http://www.arval.com/investors)), on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and from the Issuer, on request, at 22-24 rue des Deux Gares 92500 Rueil-Malmaison, France, during normal business hours.

*[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 [2021]/[2022]/[2023] EMTN Conditions. This document constitutes the Final Terms of the Notes described herein for the purposes of the Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”) and must be read in conjunction with the Base Prospectus dated 13 February 2024 which received approval no. 24-031 from the *Autorité des marchés financiers* (the “AMF”) [and the supplement[s] to the Base Prospectus dated [●] which received approval no. [●] on [●] from the AMF], which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of the Prospectus Regulation, including the Conditions which are incorporated by reference therein in order to obtain all the relevant information. The Base Prospectus is available for viewing on the website of the Issuer ([www.arval.com/investors](http://www.arval.com/investors)), on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and from the Issuer, on request, at 22-24 rue des Deux Gares 92500 Rueil-Malmaison, France, during normal business hours.]

*[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 directions for completing the Final Terms.]*

- |     |  |  |
|-----|--|--|
| (1) | Issuer:  | Arval Service Lease  |
| (2) | (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> ”).] |
| (3) | Specified Currency or Currencies:              | [●] <sup>27</sup>  |
| (4) | Aggregate Nominal Amount:                      | [●]  |

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<sup>27</sup> Please note that with respect to any domestic issue settled from an Issuer account situated in France, payments relating to Notes shall be made in euros (according to Article 1343-3 of the French *Code civil*).

	(i) Series:	[●]
	(ii) Tranche:	[●]
(5)	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
(6)	Specified Denomination(s):	[●] (one denomination only) <sup>28</sup>
(7)	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[Specify/Issue Date/Not Applicable]
(8)	Maturity Date:	[●] [specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
(9)	Interest Basis:	[[●] per cent. Fixed Rate] [specify particular reference rate][EURIBOR/SOFR/SONIA] +/- [●] per cent. Floating Rate] [Zero Coupon] [Fixed/Floating Rate] [If the Notes are Fixed/Floating Rate Notes specify all Interest Basis that apply] (further particulars specified below)
(10)	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100] per cent. of their nominal amount.
(11)	Change of Interest Basis:	[Applicable (further particulars specified below) /Not Applicable] (for Fixed/Floating Rate Notes)
(12)	Put/Call Options:	[Put Option] [Call Option] [Make-whole Redemption by the Issuer] [Residual Maturity Call Option] [Clean-up Call Option by the Issuer] Change of Control Put Option [(further particulars specified below)]
(13)	Date[s] of the corporate authorisation[s] for issuance of Notes obtained:	[Decision of the Conseil d'Administration of Arval dated [●] deciding the issue of the Notes]/[●]

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<sup>28</sup> Notes (including Notes denominated in sterling) 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 and having a maturity of less than one year from the date of issue must (a) have a minimum denomination of £100,000 (or its equivalent in other currencies) and be sold only to “professional investors” (or another applicable exemption from section 19 of the FSMA must be available) and (b) provide that no part of any such Note may be transferred unless the redemption value of that part is not less than £100,000 (or such equivalent amount).

**PROVISIONS RELATING TO INTEREST (IF ANY)  
PAYABLE**

**(14) Fixed Rate Note Provisions**

- [Applicable/Not Applicable] (*If Not Applicable, delete the remaining subparagraphs of this paragraph*)
- (i) Rate [(s)] of Interest: [●] per cent. *per annum* [payable [annually/semi-annually/quarterly/monthly/ other (specify)] in arrear on each Interest Payment Date]
- (ii) Interest Payment Date(s): [●] in each year [commencing on [●] and ending on [●] [[the Maturity Date]/[●]]
- (iii) Fixed Coupon Amount [(s)]: [●] per Specified Denomination
- (iv) Broken Amounts: [●] payable on the Interest Payment Date falling [in/on] [●] / [Not Applicable]
- (v) Day Count Fraction (Condition 5(a)): [Actual/365-FBF / Actual/Actual / Actual/Actual-ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis]
- (vi) Determination Dates (Condition 5(a)): [[●] in each year] [Not Applicable] (*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)*)]

**(15) Floating Rate Note Provisions**

- [Applicable/Not Applicable] (*If Not Applicable, delete the remaining subparagraphs of this paragraph*).
- (i) Interest Accrual Period(s): [●]
- (ii) Specified Interest Payment Dates: [●] in each year [subject to adjustment in accordance with the Business Day Convention set out in (iv) below]
- (iii) First Interest Payment Date: [●]
- (iv) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (v) Interest Period Date: [●] (*Not Applicable unless different from Interest Payment Date*)

- (vi) Business Centre(s) (Condition 5(a)): [●]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/FBF Determination/ISDA Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): [●]
- (ix) Linear Interpolation: [Applicable/Not applicable – the Rate of Interest for the [long/short] [first/last] Interest Accrual Period shall be calculated using Linear Interpolation (*specify for each short or long interest accrual period*)]
- (x) Screen Rate Determination (Condition 5(c)(iii)(C)): [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Reference Rate: [●]/[EURIBOR/SOFR/SONIA]
- Interest Determination Date(s): [[●] [T2] 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 EURIBOR, if not Reuters EURIBOR01, ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)  
*[In the case of SOFR, delete this paragraph]]*
- [- Reference Banks (*when the Relevant Screen Page is not available*): [●][*In the case of SOFR and SONIA, delete this paragraph*]]
- [- Calculation Method: [*Include where the Reference Rate is SONIA: [Compounded Daily]/[Weighted Average]*  
*[Include where the Reference Rate is SOFR: [SOFR Arithmetic Mean]/[SOFR Compound: [SOFR Compound with Lookback]/[SOFR Compound with Observation Period Shift]/[SOFR Index with Observation Shift]]]*
- [- Observation Method: [*Include where the Reference Rate is SONIA: [Lag]/[Lock-out]/[Shift]]]*

[- Lookback Period:	[[specify] [London Business Days]/[ U.S. Government Securities Business Days]/[T2 Business Days]/[As per the Conditions]/[Not applicable]]
	<i>(Include where the Reference Rate is SONIA or SOFR (where the Calculation Method is SOFR Compound: SOFR Compound with Lookback) and ensure that any Early Redemption Amounts include amounts in respect of accrued interest.)</i>
[- Observation Shift Days:	[[specify] U.S. Government Securities Business Days]/[As per the Conditions]/[Not applicable]]
	<i>(Include where the Reference Rate is SOFR and the Calculation Method is SOFR Compound: SOFR with Observation Period Shift or SOFR Index with Observation Shift)</i>
– [SOFR Cut-Off Date:	[As per Conditions]/[[specify] U.S. Government Securities Business Days]/[Not applicable]]
	<i>(Include where the Reference Rate is SOFR. Must apply where the Calculation Method is SOFR Arithmetic Mean)</i>
[- SOFR Replacement Alternatives Priority:	[As per Conditions]/[specify order of priority of SOFR Replacement Alternatives listed in Condition 5(c)(iii)(C)V.(D).]
[- ISDA Definitions:	[2006 ISDA Definitions]/[2021 ISDA Definitions]]
	<i>(Include where the Reference Rate is SOFR)</i>
- Observation Look-Back Period:	[●] <i>(only applicable in the case of SOFR or SONIA)</i> / [Not Applicable]
(xi) FBF Determination (Condition 5(c)(iii)(A)):	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
- Floating Rate ( <i>Taux variable</i> ):	[●]
- Floating Rate Determination Date ( <i>Date de Détermination du Taux Variable</i> ):	[●]

(xii) ISDA Determination (Condition 5 (c) (iii) (B)):	[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
- ISDA Definitions	[●]/[2006 ISDA Definitions]/[2021 ISDA Definitions]
[ – Calculation Period:	[●]
- Fixing Day:	[●]
- Effective Date:	Interest Commencement Date / [●]
- Termination Date:	As per Condition 5(c)(iii)(B) / [●]
- Delayed Payment:	[Applicable[: <i>specify applicable number of days</i> ] <i>(if no number is specified, the applicable number of days shall be five (5) days)</i> / Not Applicable]
- Compounding:	[Applicable / Not Applicable] <i>(Only applicable where the Floating Rate Option is an overnight rate)</i>
- OIS Compounding:	[Applicable / Not Applicable]
- Compounding with Lookback:	[Applicable / Not Applicable]  [Lookback: [●]] <i>(If no number is specified, and there is no default applicable to the Floating Rate Option, the default value will be five (5))</i>
- Compounding with Observation Period Shift:	[Applicable / Not Applicable]  [Observation Period Shift: [●]] <i>(If no number is specified, and there is no default applicable to the Floating Rate Option, the default value will be five (5))</i>
- Set in Advance:	[Applicable / Not Applicable]
- Observation Period Shift Additional Business Days:	[●]
- Compounding with Lockout:	[Applicable / Not Applicable]  Lockout Period Business Day: [ <i>specify the relevant financial center(s)</i> ]  [Lockout: [●]] <i>(If no number is specified, and there is no default applicable to the Floating Rate Option, the default value of the Lockout will be five (5))</i>
- 2021 ISDA Definitions Linear Interpolation:	[Applicable ( <i>specify the Shorter Designated Maturity and the Longer Designated Maturity, each as defined in the 2021 ISDA Definitions</i> ) / Not Applicable]

- Floating Rate Option:	<input checked="" type="checkbox"/>
- Designated Maturity:	<input checked="" type="checkbox"/>
- Reset Date:	[As per Condition 5(c)(iii)(B)]/ <input checked="" type="checkbox"/>
(xiii) Margin(s):	[[+/-] <input checked="" type="checkbox"/> per cent. <i>per annum</i> ]/[Not Applicable]
(xiv) Minimum Rate of Interest:	[[0.00 per cent.]/ <input checked="" type="checkbox"/> per cent. <i>per annum</i> (such rate to be higher than 0.00 per cent.)]
(xv) Maximum Rate of Interest:	<input checked="" type="checkbox"/> per cent. <i>per annum</i> /[Not Applicable]
(xvi) Day Count Fraction (Condition 5(a)):	[Actual/365-FBF / Actual/Actual / Actual/Actual-ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis]
<b>(16) Fixed/Floating Rate Note Provisions</b>	[Applicable/Not Applicable]  <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Change of Interest Basis:	[Issuer Change of Interest Basis/Automatic Change of Interest Basis]
(ii) Switch Date:	<input checked="" type="checkbox"/>
(iii) Rate of Interest applicable to the Interest Periods preceding the Switch Date (excluded):	Determined in accordance with [Condition 5(b), as though the Note was a Fixed Rate Note] / [Condition 5(c), as though the Note was a Floating Rate Note] with further variables set out in paragraph [14/15] of these Final Terms
(iv) Rate of Interest applicable to the Interest Periods following the Switch Date (included):	Determined in accordance with [Condition 5(b), as though the Note was a Fixed Rate Note] / [Condition 5(c), as though the Note was a Floating Rate Note] with further variables set out in paragraph [14/15] of these Final Terms
(v) Notice Period:	<input checked="" type="checkbox"/> /[Not Applicable]  <i>(only applicable where "Change of Interest Basis" is specified as "Issuer Change of Interest Basis")</i>
<b>(17) Zero Coupon Note Provisions</b>	[Applicable/Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Amortisation Yield (Condition 6(i)(i)):	<input checked="" type="checkbox"/> per cent. <i>per annum</i>

- (ii) Day Count Fraction (Condition 5(a)): [Actual/365-FBF / Actual/Actual / Actual/Actual-ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis]

## PROVISIONS RELATING TO REDEMPTION

- (18) Call Option** (Condition 6(e)) [Applicable/Not Applicable] *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note: [●] per Note [of [●] Specified Denomination]
- (iii) If redeemable in part: [Applicable/ Not Applicable] *(If not applicable, delete the items below)*
- [- Minimum Redemption Amount: [●] per Specified Denomination
- Maximum Redemption Amount: [●] per Specified Denomination]
- (iv) Notice period<sup>29</sup>: [As per the Conditions]/ [●]
- (19) Make-whole Redemption by the Issuer** (Condition 6(b)) [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Notice period:<sup>30</sup> [As per the Conditions]/ [●]
- (ii) Reference Security: [●]
- (iii) Reference Dealers: [●]
- (iv) Redemption Margin: [●]
- (v) Make-whole Calculation Agent: [As per the Conditions]/[●]
- (20) Residual Maturity Call Option** (Condition 6(c)) [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Residual Maturity Call Option Date: [●]
- (ii) Notice period<sup>31</sup>: [As per the Conditions]/ [●]

<sup>29</sup> If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems, as well as any other notice requirements which may apply, for example, as between the Issuer and its Fiscal Agent.

<sup>30</sup> If setting notice periods are different to those provided in the 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>31</sup> If setting notice periods are different to those provided in the 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 by the Issuer</b> (Condition 6(d))	[Applicable/Not Applicable]
	(i) Early Redemption Amount	[●] per Note [of [●] Specified Denomination]
<b>(22)</b>	<b>Put Option</b> (Condition 6(g))	[Applicable/Not Applicable] ( <i>If Not Applicable, delete the remaining subparagraphs 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>32</sup> :	[As per the Conditions]/ [●]
<b>(23)</b>	<b>Final Redemption Amount of each Note</b>	[[●] per Note [of [●] Specified Denomination]]
<b>(24)</b>	<b>Early Redemption Amount</b>	[[●] per Note [of [●] Specified Denomination]]
	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(j)), for illegality (Condition 6(m)) or for an event of default (Condition 9):	
<b>GENERAL PROVISIONS APPLICABLE TO THE NOTES</b>		
<b>(25)</b>	Form of Notes:	Dematerialised Notes
	(i) Form of Notes:	[Not Applicable/ <i>if Applicable specify whether</i> ] [bearer form ( <i>au porteur</i> ) / administered registered form ( <i>au nominatif administré</i> ) / fully registered form ( <i>au nominatif pur</i> )]
	(ii) Registration Agent:	[Not Applicable/Applicable][ <i>if Applicable give name and details</i> ] ( <i>Note that a Registration Agent must be appointed in relation to fully registered Notes only</i> )
	(iii) [Exclusion of the possibility to request identification of the Noteholders as provided by Condition 1(a):	Applicable]
<b>(26)</b>	Financial Centre(s) (Condition 7(h)):	[Not Applicable/ <i>Give details</i> ]. ( <i>Note that this paragraph relates to the date of payment, and not the dates of interest periods for the purposes of calculating the amount of interest, to which subparagraph, 14(ii) and (15(vi) relate</i> )
<b>(27)</b>	Redenomination, provisions:	[Not Applicable/The provisions [in Condition 1(d)] apply]

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<sup>32</sup> If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems, as well as any other notice requirements which may apply, for example, as between the Issuer and its Fiscal Agent.

(28) Purchase in accordance with Article L. 213-0-1 and D. 213-0-1 of the French *Code monétaire et financier*: [Not Applicable/Applicable]

(29) [*Masse* (Condition 11):

*[If the Representative is not Aether Financial Services, insert the wording below:*

Name and address of the Representative: [●]

Name and address of the alternate Representative: [●]

[The Representative will receive no remuneration.]/[The Representative will receive a remuneration of [●].]

*[If the Notes are held by a sole Noteholder, insert the wording below:*

As long as the Notes are held by a sole Noteholder and unless a Representative has been appointed for such Series, it shall exercise all rights and obligations assigned by law to the Representative and the general meeting of the Noteholders. A Representative will be appointed as soon as the Notes are held by several Noteholders.]]

## 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 [*name of Issuer*]:

Duly authorised by:

## PART B – OTHER INFORMATION

### 1. ADMISSION TO TRADING

- (i) 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 other 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 other relevant regulated market*] with effect from [●].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: [●]

### 2. RATINGS

Ratings: [The Notes to be issued [have been/are expected to be] rated/The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]: [●].]

[S&P Global Ratings Europe Limited: [●]]

[Fitch Ratings Ireland Limited: [●]]

[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 of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

*(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), 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**”). As such, [Insert credit rating agency/ies][is/are] included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) in accordance with 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).] [However, certain of [it/their respective] affiliates are established in the European Union and registered under CRA Regulation by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>). Such affiliates endorse the ratings of [insert credit rating agency/ies] for use for regulatory purposes in the European Union.]]

[[Insert name of relevant EEA credit rating agency/ies] [is][are] not established in the United Kingdom and [is][are] not registered under Regulation (EC) No 1060/2009 as it forms part of UK domestic law by virtue of the EUWA (the “UK CRA Regulation”). The rating[s] of the Notes issued by [insert name of relevant EEA credit rating agency/ies] [has][have] been endorsed by [insert name of relevant UK credit rating agency/ies], in accordance with the UK CRA Regulation and [has][have] not been withdrawn. As such, the rating[s] issued by [insert name of relevant EEA credit rating agency/ies] may be used for regulatory purposes in the United Kingdom in accordance with the UK 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 the following statement:*

["Save as discussed in ["Subscription and Sale"] in the Base Prospectus [and save for any fees of [insert relevant fee disclosure] payable to the Dealer(s)] so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS

(i) Reasons for the offer: [●]\*/[The net proceeds will be used for the Issuer’s general corporate purposes]

*\* (See “Use of Proceeds” wording in Base Prospectus – if reasons for offer different from what is disclosed in the Base Prospectus, 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.)*

### 5. [Fixed Rate Notes only – YIELD

Indication of yield: [●]

### 6. [Floating Rate Notes only – INFORMATION ON FLOATING RATE NOTES

[Not Applicable]

[Historic interest rates: Details of performance of [EURIBOR/SOFR/SONIA/[●]] rates can be obtained [but not] free of charges from [Reuters/give details of electronic means of obtaining the details of performance].

[Benchmarks: [Amounts payable under the Notes will be calculated by reference to [EURIBOR/[●]] 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 Regulation (EU) 2016/2011, as amended (the “**Benchmarks Regulation**”).] [As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that [●] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]

## 7. 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) and number(s)] [and address(es)]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [●]

## 8. DISTRIBUTION

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated:

(A) 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)*

- (B) Stabilisation  
Manager(s) if any: [Not Applicable/*give name*]
- (iii) If non-syndicated, name  
and address of Dealer: [Not Applicable/*give name and address*]
- (iv) US Selling Restrictions  
(Categories of potential  
investors to which the  
Notes are offered): Reg. S Compliance Category 2 applies to the Notes.  
The rules of the United States Tax Equity and Fiscal Responsibility  
Act of 1982 do not apply to the Notes.

## GENERAL INFORMATION

### 1 Listing and admission to trading

This Base Prospectus has been approved by 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 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.

This Base Prospectus will be valid for a period of twelve (12) months until 13 February 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 will be made in certain circumstances to list and admit the Notes on Euronext Paris and application may be made for the listing and admission to trading on any other Regulated Market in a Member State of the EEA.

### 2 Corporate authorisations

The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the update of the Programme. Any issuance of Notes under the Programme, to the extent that such Notes constitute bonds (*obligations*) under French law, require the prior authorisation of the Board of Directors (*Conseil d'administration*) of the Issuer in accordance with Article L.228-40 of the French *Code de commerce*.

For this purpose, the Board of Directors (*Conseil d'administration*) of the Issuer has delegated on 30 November 2023 to its Chief Executive Officer and/or Chief Financial Officer, acting jointly or separately, the power to issue Notes under the Programme, up to a maximum amount of €2,000,000,000 in aggregate for a period of one year from its effective date as of 1 January 2024.

### 3 No Significant change

As of the date of this Base Prospectus, there has been no significant change in the financial position or financial performance of the Issuer or the Arval Group since 30 June 2023.

### 4 No Material adverse change

As of the date of this Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2022.

### 5 Legal and arbitration proceedings

Neither the Issuer nor any member of the Arval Group is involved in any governmental, legal or arbitration proceedings that may have, or have had during twelve (12) months preceding the date of this document, a significant effect on the financial position or profitability of the Issuer, or the Arval Group nor is the Issuer aware that any such proceedings are pending or threatened.

### 6 Clearing

Notes have been accepted for clearance through the Euroclear and Clearstream systems. The Common Code, the International Securities Identification Number (ISIN) and (where applicable) 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.

The Notes will be inscribed in the books of Euroclear France (acting as central depository). The Notes which are in registered form (*au nominatif*) are also inscribed with the Registration Agent. The address of Euroclear France is 66 rue de la Victoire, 75009 Paris, France. The address of any alternative clearing system will be specified in the relevant Final Terms.

## **7 Material contracts**

There are no material contracts entered into in the ordinary course of the Issuer's business, which could result in any member of the Arval Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes being issued.

## **8 Documents available**

For so long as Notes may be issued pursuant to this Base Prospectus, copies of the following documents will be available on the website of the Issuer ([www.arval.com/investors](http://www.arval.com/investors)):

- (i) the *statuts* of the Issuer;
- (ii) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus.

In accordance with the Prospectus Regulation, the documents listed in (i) and (ii) below will be available, on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and the documents listed in (i) to (iii) below on the website of the Issuer ([www.arval.com/investors](http://www.arval.com/investors)):

- (i) this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus;
- (ii) a copy of the Final Terms for Notes that are admitted to trading on Euronext Paris or are offered to the public in France and/or in any Member State of the European Economic Area so long as such Notes are outstanding; and
- (iii) the documents incorporated by reference in this Base Prospectus.

## **9 Statutory auditors**

Mazars at Tour Exaltis, 61 rue Henri Regnault, 92400 Courbevoie, France, and Deloitte & Associés, 6 place de la Pyramide, 92908 Paris La Défense Cedex, France, two entities 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*, have audited and rendered unqualified audit reports on the consolidated financial statements of the Issuer as at and for the years ended 31 December 2021 and 31 December 2022.

The consolidated half-year financial statements of the Issuer for the six-month period ended 30 June 2023 have not been audited but were subject to a limited review, without qualification, by Mazars and Deloitte & Associés, as stated in their limited review report incorporated by reference in this Base Prospectus.

## **10 Yield**

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the relevant 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 (as defined in the Final Terms) of the Notes and will not be an indication of future yield.

## 11 **Stabilisation**

In connection with the issue of any Tranche (as defined in “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 relevant 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, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may cease at any time, but it must end no later than the earlier of thirty (30) calendar days after the Issue Date of the relevant Tranche and sixty (60) calendar days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment shall be conducted by the relevant Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager) in accordance with all applicable laws and rules.

## 12 **Potential Conflicts of Interest**

The Dealer(s) and, as the case may be, the Calculation Agent, the Make-whole 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 Arval Group. 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 Arval Group or (iii) act as financial advisers to the Issuer or other companies of the Arval Group. In the context of these transactions, the Dealer(s) has or may hold shares or other securities issued by entities of the Arval Group. Where applicable, it has or will receive customary fees and commissions for these transactions.

The Dealer(s), the Calculation Agent, the Make-whole Calculation Agent or their respective affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Dealer(s) and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. The Dealer(s) and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Potential conflicts of interest may arise between the Calculation Agent or the Make-whole 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 judgments that such Calculation Agent or Make-whole Calculation Agent may make pursuant to the Terms and Conditions of the Notes.

## 13 **Information sourced from third parties**

Where information in this Base Prospectus has been sourced from third parties, this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

## 14 **Benchmarks**

Amounts payable under the 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, as amended (the “**Benchmarks Regulation**”). In this case, a statement will be included in the relevant Final Terms as to whether or not the relevant administrator of the “benchmark” is included in ESMA’s register of administrators under Article 36 of the Benchmarks Regulation, it being specified that SONIA and SOFR are outside the scope of the Benchmarks Regulation, in accordance with the provisions of Article

2 of the Benchmarks Regulation, and their administrators are not subject to the requirements of approval or registration of the Benchmarks Regulation.

**15 LEI**

The LEI of the Issuer is 969500UCL6ROAHVXQV60.

**PERSON RESPONSIBLE FOR THE INFORMATION  
GIVEN IN THE BASE PROSPECTUS**

I hereby certify that, to the best of my knowledge, the information contained in this Base Prospectus is in accordance with the facts and makes no omission likely to affect its import.

**Arval Service Lease**  
1, boulevard Haussmann  
75009 Paris  
France

duly represented by:

Stéphane de Marnhac  
Chief Financial Officer (*Directeur Financier*)

on 13 February 2024



*This Base Prospectus has been approved by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129. 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.*

*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 13 February 2024 and is valid until 13 February 2025 and shall, during this period and in accordance with the provisions of Article 23 of the Regulation (EU) 2017/1129, be completed by a supplement to the Base Prospectus in the event of new material facts or substantial errors or inaccuracies. This Base Prospectus obtained the following approval number: 24-031.*

**Registered Office of the Issuer**

**Arval Service Lease**

1, boulevard Haussmann  
75009 Paris  
France

Telephone number: +33 1 57 69 57 00

**Arranger and Dealer**

**BNP Paribas**

16, boulevard des Italiens  
75009 Paris  
France

**Fiscal Agent, Paying Agent, Put Agent, Redenomination Agent, Consolidation Agent, Calculation Agent and Make-whole Calculation Agent**

**BNP Paribas**

9 rue du Débarcadère  
93500 Pantin  
France

**Auditors to the Issuer**

**Mazars**

Tour Exaltis  
61, rue Henri Régault  
92400 Courbevoie  
France

**Deloitte & Associés**

6, Place de la Pyramide  
92908 Paris la Défense Cedex  
France

**Legal Adviser  
to the Dealer  
as to French law**

**Allen & Overy LLP**

32, rue François 1er  
75008 Paris  
France