



Issue of EUR 900,000,000 Contingent Tier 2 Capital Subordinated Fixed Rate Resetable Notes due January 2042
Series no.: 2021-13

Tranche no.: 1

Issue Price: 99.677 per cent.

Issue of EUR 850,000,000 Contingent Tier 2 Capital Subordinated Fixed Rate Resetable Notes due October 2046

Series no.: 2021-14

Tranche no.: 1

Issue Price: 99.316 per cent.

Under the Euro 40,000,000,000 Euro Medium Term Note Programme

The EUR 900,000,000 Contingent Tier 2 Capital Subordinated Fixed Rate Resetable Notes due on 13 January 2042 (the “**2042 Notes**”) and the EUR 850,000,000 Contingent Tier 2 Capital Subordinated Fixed Rate Resetable Notes due on 13 October 2046 (the “**2046 Notes**”, together with the 2042 Notes, the “**Notes**”) will be issued by BPCE (the “**Issuer**” or “**BPCE**”) under its Euro 40,000,000,000 Euro Medium Term Note Programme (the Programme) on 13 October 2021 (the “**Issue Date**”). Words and expressions defined under the section “Terms and Conditions of the 2042 Notes” (the “**Terms and Condition of the 2042 Notes**”) and under the section “Terms and Conditions of the 2046 Notes” (the “**Terms and Condition of the 2046 Notes**”, together with the Terms and Condition of the 2042 Notes, the “**Terms and Conditions**”), as applicable shall have the same meanings on this cover page, reference to a “**Condition**” being a reference to the numbered paragraphs in the Terms and Conditions of the 2042 Notes and/or the Terms and Conditions of the 2046 Notes, unless otherwise specified).

It is the intention of the Issuer that the Notes shall, for regulatory purposes, be treated as Tier 2 Capital (such Notes, treated as Tier 2 Capital, being the “**Qualifying Subordinated Notes**”). Should the outstanding Notes be fully excluded from the Tier 2 Capital, they will constitute disqualified subordinated notes (such Notes, fully excluded from the Tier 2 Capital, being the “**Disqualified Subordinated Notes**”).

If and for so long as the Notes are Qualifying Subordinated Notes, principal and interest thereon constitute and will constitute direct, unconditional unsecured and subordinated obligations of the Issuer ranking *pari passu* without any preference among themselves and *pari passu* with all other present or future subordinated instruments that are, or have been before 28 December 2020 (in the case of instruments issued before that date), fully or partially recognised as Tier 2 Capital of the Issuer, in accordance with Article L.613-30-3-I-5° of the French *Code monétaire et financier*, as described in Condition 4 (*Status of the Notes*).

If the Notes become Disqualified Subordinated Notes, principal and interest thereon constitute and will constitute direct, unconditional, unsecured and subordinated obligations ranking *pari passu* among themselves and *pari passu* with all other present or future subordinated instruments that are not, and have not been before 28 December 2020 (in the case of instruments issued before that date), recognised as additional tier 1 capital (as defined in Article 52 of the CRR) or Tier 2 Capital of the Issuer, in accordance with Article L.613-30-3-I-5° of the French *Code monétaire et financier*.

The 2042 Notes will bear interest on their Prevailing Principal Amount from (and including) the Issue Date to (but excluding) the Interest Payment Date falling on or about 13 January 2027 (the “**2042 Notes First Reset Date**”) at a rate of 1.50% per annum (provided that upon the occurrence of a Rating Methodology Event, the rate shall be reduced by 25 basis point to 1.250% per annum), payable annually in arrear on 13 January in each year, subject in each case to adjustment in accordance with the Business Day Convention (each an “**2042 Notes Interest Payment Date**”). There will be a short first coupon from (and including), the Issue Date to (but excluding) 13 January 2022. The rate of interest will reset on the 2042 Notes First Reset Date and on each fifth anniversary thereafter (each, a “**2042 Notes Reset Date**”) (provided that upon occurrence of a Rating Methodology Event prior to the 2042 Notes First Reset Date, the Margin shall be reduced by 25 basis point to 1.500%).

The 2046 Notes will bear interest on their Prevailing Principal Amount from (and including) the Issue Date to (but excluding) the Interest Payment Date falling on or about 13 October 2031 (the “**2046 Notes First Reset Date**”) at a rate of 2.125% per annum (provided that upon the occurrence of a Rating Methodology Event, the rate shall be reduced by 25 basis point to 1.875% per annum), payable annually in arrear on 13 October in each year, subject in each case to adjustment in accordance with the Business Day Convention (each an “**2046 Notes Interest Payment Date**”). The rate of interest will reset on the 2046 Notes First Reset Date and on each fifth anniversary thereafter (each, a “**2046 Notes Reset Date**”) (provided that upon occurrence of a Rating Methodology Event prior to the 2046 Notes First Reset Date, the Margin shall be reduced by 25 basis point to 1.800%).

If, at any time, the Groupe BPCE’s CET1 Capital Ratio falls below 7.00% (a “**Trigger Level**”) unless a Rating Methodology Event has occurred prior to the respective First Reset Date in which case there shall be no Trigger Event (the “**Trigger Event**”), 25% of the Prevailing Principal Amount of the Notes will be permanently written down, (a “**Write-Down**”), unless the Groupe BPCE’s CET1 Capital Ratio generated through Higher Trigger Loss Absorbing Instruments is sufficient to remedy the Trigger Event. Noteholders may lose 25% of the then Prevailing Principal Amount of the Notes as a result of a Write-Down.

The Issuer may, at its option, redeem all, but not some only, of the Notes during each period commencing on, and including, the date that is three (3) months before each respective Reset Date and ending on, but excluding, such Reset Date at their Prevailing Principal Amount. The Issuer may, at its option, redeem all, but not some only, of the Notes at any time at their Prevailing Principal Amount upon the occurrence of certain Tax Event, a Capital Event or a MREL/TLAC Disqualification Event (all as defined in Condition 2 (*Definitions*)).

This prospectus (the “**Prospectus**”) has been approved by the *Autorité des marchés financiers* (the “**AMF**”) on 11 October 2021, which is the French competent authority for the purpose of the Prospectus Regulation (as defined below), for approval of this Prospectus as a prospectus issued in compliance with the Prospectus Regulation for the purpose of giving information with regard to the issue of the Notes. This Prospectus constitutes a prospectus for the purposes of Article 6 of Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”). The AMF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. This Prospectus is valid until the date of admission of the Notes to trading on Euronext Paris; in the event of significant new factors, material mistakes or material inaccuracies, the obligation of the Issuer to supplement the Prospectus will apply only until the Notes are admitted to trading on the regulated market of Euronext Paris. Pursuant to Article 21(8) of the Prospectus Regulation, the obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a prospectus is no longer valid. By approving this Prospectus, in accordance with Article 20 of the Prospectus Regulation, the AMF does not engage in respect of the economic or financial opportunity of the operation under this Prospectus or the quality and solvency of the Issuer. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made for the Notes to be admitted to trading on the regulated market of Euronext Paris with effect from the Issue Date. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU, as amended (“**MFID II**”), appearing on the list of regulated markets issued by the European Securities and Markets Authority (the “**ESMA**”).

Notes will be issued in dematerialised form as more fully described herein. The Notes will at all times be in bookentry form in compliance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Notes. The Notes will be in bearer form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Account Holders (as defined in Condition 3 (*Form, Denomination and Title*)) including Euroclear Bank SA/NV (“**Euroclear**”) and the depository bank for Clearstream Banking, S.A. (“**Clearstream**”).

The Issuer’s long term senior preferred debt ratings are A1 with a stable outlook by Moody’s France S.A.S. (“**Moody’s**”), A with a stable outlook by S&P Global Ratings Europe Limited (“**S&P**”) and A+ with a negative outlook by Fitch Ratings Ireland Limited (“**Fitch**”), and, together with Moody’s and S&P, the “**Rating Agencies**”). The Notes are expected to be assigned a rating of Baa3 by Moody’s, BBB by S&P and A- by Fitch. Ratings can come under review at any time by Rating Agencies. Investors are invited to refer to the websites of the relevant Rating Agencies in order to have access to the latest rating (respectively: www.moody.com, www.standardandpoors.com and www.fitchratings.com). The Rating Agencies are established in the European Union and are registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council dated 16 September 2009 on credit rating agencies, as amended (the “**CRA Regulation**”) and, as of the date of this Prospectus, appear on the list of credit rating agencies published on the website of the ESMA (www.esma.europa.eu) in accordance with the CRA Regulation. The ratings issued by Moody’s, S&P and Fitch are, as the case may be, endorsed by a credit rating agency established in the UK and registered under the Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the “**UK CRA Regulation**”) or certified under the UK CRA Regulation. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time and without prior notice by the assigning rating agency.

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

SOLE STRUCTURING ADVISOR AND SOLE BOOKRUNNER

NATIXIS

JOINT-LEAD MANAGERS

Credit Suisse

HSBC

CO-LEAD MANAGERS

KBC Bank

LA BANQUE POSTALE

IMPORTANT CONSIDERATIONS

*This Prospectus should be read and construed in conjunction with the documents incorporated by reference herein (see “**Documents Incorporated by Reference**”), each of which shall be incorporated in, and form part of this Prospectus for the purpose of giving information with regard to the Issuer, Groupe BPCE SA, Groupe BPCE (each as defined in “General Information”) and the Notes which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, the rights attaching to the Notes and the reason for the issuance and its impact on the Issuer.*

The information on any websites included in this Prospectus does not form part of this Prospectus unless that information is incorporated by reference into the Prospectus.

*No person has been authorised to give any information or to make any representation other than those contained in this 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 Natixis (the “**Sole Structuring Advisor and Sole Bookrunner**”), Credit Suisse Bank (Europe), S.A. and HSBC Continental Europe (the “**Joint-Lead Managers**”) and KBC Bank NV and La Banque Postale (the “**Co-Lead Managers**”), together with the Sole Structuring Advisor and Sole Bookrunner and the Joint-Lead Managers, the “**Managers**”) or the Issuer. Neither the delivery of this 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, Groupe BPCE SA or the Groupe BPCE since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer, Groupe BPCE SA or the Groupe BPCE since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.*

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

A prospective investor may not rely on the Issuer or the Managers 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 Managers nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

No investor should purchase Notes unless the investor understands and is able to bear the risk that certain Notes will not be readily sellable, that the value of Notes will fluctuate over time and that such fluctuations will be significant.

*The distribution of this Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any state or other jurisdiction of the United States. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)). The Notes are being offered and sold in offshore transactions outside the United States to non U.S. persons in reliance on Regulation S. For a description of certain restrictions on offers and sales of the Notes and on distribution of this Prospectus, see “Subscription and Sale”.*

Restrictions on marketing and sales to retail investors – The Notes discussed in this Prospectus are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Notes to retail investors.

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 more) of: (i) a retail client as defined in point (11) of Article 4 (1) of Directive 2014/65/EU, as amended (“**MiFID II**”); (ii) a customer within the meaning of Directive

2016/97/EU, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No. 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the 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 more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of the 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, 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 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 target market assessment) and determining appropriate distribution channels.

In addition, pursuant to the United Kingdom (“**UK**”) Financial Conduct Authority Conduct of Business Sourcebook (“**COBS**”) the Notes are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients (as defined in COBS 3.4) in the UK.

SINGAPORE SFA PRODUCT CLASSIFICATION – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the “**SFA**”) and the Securities and Futures Act (Capital Market Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products).

The Managers have not separately verified the information contained or incorporated by reference in this Prospectus. None of Managers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus. Neither this 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, the Managers that any recipient of this 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 Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Managers undertakes to review the financial condition or affairs of the Issuer or the Groupe BPCE during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Managers.

Prospective investors should have regard to the information set out in the section “Use of Proceeds” set out in this Prospectus and must determine for themselves the relevance of such information for the purpose of any investment in the Notes together with any other investigation such investor deems necessary.

The Notes may not be a suitable investment for all investors

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.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;***
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;***
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including in relation to the Write-Down features of the Notes, or where the currency for principal or interest payments is different from the potential investor's currency;***
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant financial markets and be familiar with the behavior of any relevant indices;***
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and***
- (vi) is aware, in terms of legislation or regulatory regime applicable to such investor of the applicable restrictions on its ability to invest in the Notes and in any particular type of Notes.***

The Notes are complex financial instruments and may not be a suitable investment for all investors. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A prospective investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the prospective investor's overall investment portfolio.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should consult its legal advisers to determine whether and to what extent (i) Notes constitute legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions, including the Issuer's jurisdiction of incorporation, which may have an impact on the income received from the Notes. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Prospective investors are advised to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the prospective investor.

In addition, as a financial institution, the Issuer is, in certain circumstances, able to pass on any tax liabilities to holders of the Notes and therefore this may result in investors receiving less than expected in respect of the Notes. The Foreign Account Tax Compliance Act (FATCA) withholding could be payable in relation to relevant transactions by investors in respect of the Notes if conditions for a charge to arise are satisfied. Investors should consider the possible FATCA withholding risk in light of other investments available at that time and consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them.

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RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons. Prospective investors should also read all the information set out elsewhere in this Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views in light of their financial circumstances and investment objectives prior to making any investment decision.

Words and expressions defined under the Terms and Conditions of the 2042 Notes and under the Terms and Conditions of the 2046 Notes, as applicable, shall have the same meanings in this section, unless otherwise specified. Reference to a “Condition” being a reference to the numbered paragraphs in the Terms and Conditions of the 2042 Notes and/or the Terms and Conditions of the 2046 Notes, unless otherwise specified. References to “Terms and Conditions of the Notes” shall include reference to Terms and Conditions of the 2042 Notes and/or the Terms and Conditions of the 2046 Notes, unless otherwise specified.

I. RISKS RELATING TO THE ISSUER

The risks relating to the Issuer are set out on pages 301 to 315 of the First Update of the BPCE 2020 Universal Registration Document, as defined and further described under “Documents Incorporated by Reference” in this Prospectus.

The risk factors specific to the Issuer include:

- strategic, business and ecosystem risks;
- credit and counterparty risks;
- financial risks;
- insurance risks;
- non-financial risks;
- regulation risks.

II. RISKS RELATING TO THE NOTES

In addition to the risks relating to the Issuer that may affect the Issuer's ability to fulfil its obligations under the Notes there are certain factors which are material for the purpose of assessing the risks associated with, and taking an informed decision in connection with, an investment in the Notes.

1. Risks relating to the nature of the Notes

The Notes are subordinated obligations of the Issuer

In accordance with Condition 4 (*Status of the Notes*), the Notes are subordinated notes of the Issuer issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce* and are subordinated instruments as provided for in Article L.613-30-3-I-5° of the *Code monétaire et financier*. For so long as such Notes are treated for regulatory purposes as Tier 2 Capital, the Notes are Qualifying Subordinated Notes and, upon issue, principal and interest thereon constitute and will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking *pari passu* without any preference among themselves and *pari passu* with all other present or future subordinated instruments that are, or have been before 28 December 2020 (in the case of instruments issued before that date), fully or partially recognised as Tier 2 Capital of the Issuer, in accordance with Article L.613-30-3-I-5° of the *Code monétaire et financier*.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Qualifying Subordinated Notes shall be:

- (A) subordinated to the payment in full of:
 - (1) any creditors (including depositors) in respect of Senior Obligations;
 - (2) any subordinated creditors ranking or expressed to rank senior to the Qualifying Subordinated Notes;
 - (3) any Disqualified Subordinated Notes issued by the Issuer; and
- (B) paid in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés"* or *engagements subordonnés de dernier rang*).

Should any outstanding Qualifying Subordinated Notes be fully excluded from Tier 2 Capital (a "**Disqualification Event**"), the Notes will become Disqualified Subordinated Notes and principal and interest thereon, and, where applicable, any related Receipts and Coupons, constitute and will constitute direct, unconditional, unsecured and subordinated obligations ranking *pari passu* among themselves and *pari passu* with all other present or future subordinated instruments that are not, and have not been before 28 December 2020 (in the case of instruments issued before that date), recognised as additional tier 1 capital (as defined in Article 52 of the CRR which are treated as such by the then current requirements of the Relevant Regulator, and as amended by Part 10 of the CRR (Article 484 *et seq.* on grandfathering)) or Tier 2 Capital of the Issuer in accordance with Article L.613-30-3-I-5° of the *Code monétaire et financier*.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Disqualifying Subordinated Notes shall be:

- (A) subordinated to the payment in full of:
 - (1) any creditors (including depositors) in respect of Senior Obligations;
 - (2) any subordinated creditors ranking or expressed to rank senior to the Disqualified Subordinated Notes; and
- (B) paid in priority to any Qualifying Subordinated Notes, Ordinarily Subordinated Notes, *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés"* or *engagements subordonnés de dernier rang*).

If a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or, if the Issuer is liquidated for any other reason, the rights of payment of the Noteholders will be subordinated to the payment in full of the unsubordinated creditors of the Issuer and any other creditors that are senior to the Notes. In the event of incomplete payment of unsubordinated creditors or any other creditors that are senior to the Notes upon the liquidation of the Issuer, the obligations of the Issuer in connection with the principal of the Notes will be terminated by operation of law. Although the Notes may pay a higher rate of interest than comparable notes that are not subordinated, there is a high risk that investors in subordinated notes (such as the Notes for so long as they qualify as Qualifying Subordinated Notes) will lose all or some of their investment if the Issuer becomes insolvent especially since the "tier 2" instruments will be subject to bail-in tool in the context of the Issuer's resolution proceedings.

Under French insolvency law, in the case of the opening in France of a safeguard procedure (*procédure de sauvegarde*, *procédure de sauvegarde accélérée* or *procédure de sauvegarde financière accélérée*), a judicial reorganisation procedure (*procédure de redressement judiciaire*) or a judicial liquidation (*liquidation judiciaire*) of the Issuer, all creditors of the Issuer (including the Noteholders) must file their proof of claims with the creditors' representative or liquidator, as the case may be, within two months (or within four months in the case of creditors domiciled outside metropolitan France) of the publication of the opening of the procedure against the Issuer in the BODACC (*Bulletin officiel des annonces civiles et commerciales*). Holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a safeguard procedure (*procédure de*

sauvegarde), accelerated safeguard procedure (*procédure de sauvegarde accélérée*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*), or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer. The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes) regardless of their ranking and their governing law.

However, the application of French insolvency law is subject to the prior permission of the Relevant Regulator before the opening of any safeguard, judicial reorganisation or liquidation procedures. This limitation will affect the ability of the Noteholders to recover their investments in the Notes.

Should this risk materialise, the impact on Noteholders would be high and the commencement of insolvency proceedings will affect materially and adversely the situation of the Noteholders. It may result in a significant decrease of the market value of the Notes and cause the Noteholders to lose all or part of their investment.

The implementation in France of the BRRD could materially affect the Notes

Directive 2014/59/EU of the European Parliament and of the Council, establishing an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the “**BRRD**”, as amended by Directive (EU) No. 2019/879 of the European Parliament and of the Council of 20 May 2019 (which was implemented under French law by Ordinance No.2020-1636 dated 21 December 2020) (the “**BRRD II**” which will enter into force on 28 December 2020)) provides relevant resolution authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers’ exposure to losses.

The Relevant Resolution Authority may commence resolution proceedings in respect of an institution such as Groupe BPCE when it determines that:

- the institution is failing or likely to fail;
- there is no reasonable prospect that another action will prevent the failure within a reasonable time; and
- a resolution measure is required, and a liquidation procedure would fail, to achieve the objectives of the resolution: (i) to ensure the continuity of critical functions, (ii) to avoid a significant adverse effect on the financial system, (iii) to protect public funds by minimizing reliance on extraordinary public financial support, and (iv) to protect client funds and assets, and in particular those of depositors.

All entities affiliated with the central institution of Groupe BPCE, such as the Issuer, benefit from a guarantee and solidarity mechanism, the aim of which, in accordance with Articles L.511-31 and L.512-107-6 of the French *Code monétaire et financier*, is to ensure the liquidity and solvency of all affiliated entities and to organise financial solidarity throughout the Groupe BPCE.

This financial solidarity is rooted in legislative provisions instituting a legal solidarity system requiring the central institution to restore the liquidity or solvency of struggling affiliates and/or of all Groupe BPCE’s affiliates, by mobilising if necessary up to all cash and cash equivalents and capital available to all contributing affiliates. As a result of this complete legal solidarity, one or more affiliates may not find itself subject to court-ordered liquidation, or be affected by resolution measures within the meaning of BRRD and BRRD II, without all affiliates also being affected.

In the event of court-ordered liquidation thus necessarily affecting all affiliates, the external creditors of all affiliates would be addressed identically according to their rank and in the order of the ranking of creditors, irrespective of their ties with any specific entity. Please also refer to the risk factors related to the Issuer (and mainly the risk factor entitled “*BPCE may have to help entities belonging to the financial solidarity mechanism in the event they experience financial difficulties, including entities in which BPCE holds no economic interest.*”) included in the BPCE 2020 Universal Registration Document, incorporated by reference herein.

After resolution proceedings are commenced, the Relevant Resolution Authority may use one or more of several resolution tools with a view to recapitalizing or restoring the viability of the institution.

Capital instruments may be written down or converted to equity or other instruments either in connection with and prior to the opening of a resolution proceeding, or in certain other cases without a resolution proceeding. The Relevant Resolution Authority may permanently write-down the Notes or convert the Notes into equity (or other instruments of ownership) at the point of non-viability of the Issuer or Groupe BPCE. Capital instruments for these purposes include common equity tier 1, additional tier 1 and tier 2 instruments, such as the Notes so long as they qualify as Qualifying Subordinated Notes.

The powers provided to the Relevant Resolution Authority once a resolution procedure is initiated include the “Bail-in Tool”, meaning the power to write down (including to zero) eligible liabilities of a credit institution (such as the Issuer) or its group (such as the Groupe BPCE) in resolution, or to convert them to equity. Eligible liabilities include subordinated debt instruments not qualifying as capital instruments, senior unsecured debt instruments (such as senior preferred notes and senior non-preferred notes issued by the Issuer under the Programme) and other liabilities that are not excluded from the scope of the Bail-in Tool pursuant to the BRRD, such as non-covered deposits or financial instruments that are not secured or used for hedging purposes. The Bail-in Tool may also be applied to any liabilities that are capital instruments and that remain outstanding at the time the Bail-in Tool is applied. Condition 17 (*Recognition of Bail-in and Loss Absorption*) contain provisions giving effect to the bail-in powers.

After a resolution proceeding is initiated and in addition to the Bail-in Tool, the Relevant Resolution Authority is provided with broad powers to implement other resolution tools with respect to failing institutions or, under certain circumstances, their groups. The powers of the Relevant Resolution Authorities include the total or partial sale of the issuing institution’s business, the separation of assets, the replacement or substitution of the issuing institution as obligor in respect of the issuing institution’s debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments) and discontinuing the listing and admission to trading of financial instruments and could result in the partial or total write-down or conversion to equity of the Notes issued by the Issuer. Alongside those resolution tools, the Relevant Resolution Authority can temporarily suspend any payment obligation or delivery obligation under a contract entered into by the relevant entity, so long as the payment and delivery obligations and the provision of collateral continue to be performed. In addition, if BPCE’s financial condition, or that of Groupe BPCE, deteriorates or is perceived to deteriorate, the exercise of these powers could cause the market value of the Notes issued by BPCE to decline more rapidly than would be the case in the absence of such powers.

In accordance with the BRRD and BRRD II and pursuant to Condition 11 (*No Events of Default*), if a resolution proceeding is opened in respect of Groupe BPCE, holders of the Notes will not have the right to declare an event of default, to accelerate the maturity of the Notes, to modify the terms of the Notes or to exercise other enforcement rights in respect of the Notes so long as the Issuer continues to meet its payment obligations.

The taking of any action under BRRD and BRRD II in relation to the Issuer or Groupe BPCE could materially and adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of the Issuer to satisfy its obligations under any Notes. As a result, Noteholders could lose all or a substantial part of their investment in the Notes.

For further information about the BRRD and related matters, see “Governmental Supervision and Regulation of the Issuer in France”.

As a result, the exercise of any power under the BRRD or any suggestion of such exercise could materially adversely affect the rights of the Noteholders, the price or value of their investment in the Notes, which could decline more rapidly than would be the case in the absence of such powers, and/or the ability of the Issuer to satisfy its obligations under the Notes.

There are no events of default under the Notes.

As contemplated by Condition 11 (*No Event of Default*), the Terms and Conditions of the Notes do not provide for events of default (including a cross default) allowing acceleration of the Notes if certain events occur noting, however, that if any judgment were issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer were liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency), then the Notes would become immediately due and payable. Accordingly, if the Issuer fails to meet any obligation under the Notes, including the payment of any interest, investors will not have the right of

acceleration of principal. Upon a payment default, the sole remedy available to Noteholders for recovery of amounts owing in respect of any payment of principal or interest on the Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

In addition, a Write-Down of the Notes (See “*The principal amount of the Notes may be reduced to absorb losses*”) shall also not constitute any event of default or a breach of the Issuer’s obligations or duties or a failure to perform by the Issuer in any manner whatsoever and shall not entitle holders to petition for the insolvency or dissolution of the Issuer.

Because of the “tier 2” nature of the Notes (for so long they constitute Qualifying Subordinated Notes), in contrast to most senior bonds, Noteholders will be less protected if the Issuer is in default of any payment obligations under the Notes or any other event affecting the Issuer such as the occurrence of a merger, amalgamation or change of control. The absence of events of default materially affects the position of Noteholders compared to other creditors (including holders of senior bonds) of the Issuer and may result in delay in payments due and payable under the Notes.

The Terms and Conditions include a waiver of set-off rights.

By subscribing to or acquiring Notes and in accordance with Condition 8.4 (*Waiver of set-off*), each Noteholder shall be deemed to have irrevocably waived any actual and potential right of or claim to deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any Notes at any time (for the avoidance of doubt, both before and during any winding-up, liquidation or administration of the Issuer) to the fullest extent permitted by applicable law.

This feature derives from the “tier 2” nature of the Notes (for so long they constitute Qualifying Subordinated Notes) and is also in contrast to most senior bonds. Noteholders will benefit of less remedies than holders of senior bonds. As a consequence, this waiver of set-off could adversely impact on the Noteholders.

The Terms and Conditions of the Notes contain no negative pledge or covenants.

Condition 4 (*Status of the Notes*) indicates that there is no negative pledge in respect of the Notes. The Issuer is generally permitted to sell or otherwise dispose of any or substantially all of its assets to another corporation or other entity under the Terms and Conditions. If the Issuer decides to dispose of a large amount of its assets, Noteholders will not be entitled to declare an acceleration of the maturity of the Notes, and those assets will no longer be available to support the Notes. Such an absence of “negative pledge” or similar clause may adversely affect the rights of the Noteholders as compared to holders of senior bonds.

In addition, the Notes do not require the Issuer to comply with financial ratios or otherwise limit its ability or that of its subsidiaries to incur additional debt, nor do they limit the Issuer’s ability to use cash to make investments or acquisitions, or the ability of the Issuer or its subsidiaries to pay dividends, repurchase shares or otherwise distribute cash to shareholders. Such actions could potentially affect the Issuer’s ability to service its debt obligations, including those of the Notes.

Meeting of Noteholders and Modification of the Terms and Conditions may be detrimental to the interest of some of the Noteholders.

Condition 12 (*Meeting and voting provisions*) contains autonomous provisions organising collective decisions of Noteholders to consider matters affecting their interests generally to be adopted either through a General Meeting or by consent following a Written Resolutions and Electronic Consent. The Noteholders will be grouped automatically in a *Masse* having legal personality governed by the provisions of the French *Code de commerce* (subject to certain exceptions) and will be represented by a Representative of the *Masse*; these provisions permit simple majority to bind all Noteholders including Noteholders who did not attend and vote or were not represented at the relevant meeting or did not consent to the written decision and Noteholders who voted in a manner contrary to the majority. Collective decisions may deliberate on proposals relating to the modification of the Terms and Conditions subject to the limitation provided by French law and the Terms and Conditions. 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 Noteholders may lose part of their investment.

2. The Notes may be subject to principal reduction linked to the Groupe BPCE's CET1 Capital Ratio

The principal amount of the Notes may be reduced to absorb losses.

The Notes are being issued for capital adequacy regulatory purposes with the intention and purpose of being eligible as Tier 2 Capital of the Issuer. Under the CRR, G-SIBs, such as the Groupe BPCE, are required to comply with the two Minimum TLAC requirements, in an amount at least equal to (i) 16% of the total risk exposure through 1 January 2022 and 18% thereafter, and (ii) 6% of the total exposure measure through 1 January 2022 and 6.75% thereafter (*i.e.* a Pillar 1 requirement). The BRRD II also provides that Resolution Authorities will be able, on the basis of bank-specific assessments, to require that G-SIBs comply with a supplementary MREL requirement (*i.e.*, a Pillar 2 add-on requirement).

In addition, in order to maintain the equity content allocated to the Notes by S&P, if the Groupe BPCE's CET1 Capital Ratio were to fall below 7.00 % (a "**Trigger Event**"), the Prevailing Principal Amount of the Notes will be written down once by an amount which shall be equal to 25% of the Prevailing Principal Amount, as further described in Condition 6.1 (*Write-Down*) and 6.2 (*Consequence of a Write-Down*). The Groupe BPCE's consolidated minimum CET1 Ratio requirement has been set at 9,32 % as for 2021. This includes 4,5 % Pillar 1 requirement plus 1,31% Pillar 2 requirement, 2,5% capital conservation buffer requirement 1 % GSIB buffer requirement and 0.01 % counter cyclical buffer requirement. As at 30 June 2021, the Groupe BPCE's CET1 Capital Ratio lays at 15,6% on a fully-loaded basis. The Prevailing Principal Amount of the Notes may be subject to Write-Down even if, for example, holders of the Issuer's equity securities continue to receive dividends or holders of other securities issued by the Issuer continue to receive interest on such securities.

The Prevailing Principal Amount of the Notes may also be subject to write-down or conversion to equity in certain circumstances under the BRRD, as transposed into French law. See "*The implementation in France of the BRRD could materially affect the Notes*". It is not certain how the contractual write-down mechanism contemplated in the Terms and Conditions would interact with the statutory write-down and conversion mechanisms contemplated under the recovery and resolution regime, if both mechanisms were triggered (particularly if the contractual mechanisms in the Terms and Conditions were triggered first).

Capital instruments may be written down or converted into equity securities or other instruments of ownership either in connection with a resolution proceeding, or in certain other cases without or prior to a resolution proceeding. The Relevant Resolution Authority has the powers to write-down capital instruments, or convert them into equity securities or other instruments of ownership at the "point of non-viability" of the Issuer or the Groupe BPCE unless such write down or conversion power is exercised or when the institution requires extraordinary public financial support (except when extraordinary public financial support is provided in the form defined in Article L. 613-48 III, 3° of the French *Code monétaire et financier*). Capital instruments for these purposes include common equity tier 1, additional tier 1 Capital and Tier 2 Capital instruments (such as the Notes for so long as they qualify as Qualifying Subordinated Notes).

The exercise of write-down/conversion powers by the Relevant Resolution Authority independently of a resolution proceeding or combined with a resolution measure with respect to capital instruments (including subordinated debt instruments such as the Notes for so long as they qualify as Qualifying Subordinated Notes) could result in the full (*i.e.*, to zero) or partial write-down or conversion of the Notes into equity securities or other instruments of ownership.

As contemplated by Condition 6.1 (*Write-Down*) and 6.2 (*Consequence of a Write-Down*), Noteholders will materially and adversely be affected and as a consequence they may lose all or part of their investments.

The calculation of the Groupe BPCE's CET1 Capital Ratio will be affected by a number of factors, many of which may be outside the Issuer's control and the Noteholders will bear the risk of changes in the Groupe BPCE's CET1 Capital Ratio.

The occurrence of a Trigger Event, and therefore a Write-Down of the Prevailing Principal Amount of the Notes, is inherently unpredictable and depends on a number of factors, many of which may be outside the Issuer's control. Because the Relevant Regulator may require the Groupe BPCE's CET1 Capital Ratio to be calculated as of any date, a Trigger Event could occur at any time. The calculation of the Groupe BPCE's CET1 Capital Ratio could be affected by a wide range of factors, including, among other things, factors affecting the level of the Groupe BPCE's earnings, the mix of its businesses, its ability to effectively manage the risk-weighted assets in both its ongoing businesses and those it may seek to exit, losses in its commercial banking, investment banking or other businesses, or any of the factors described in "*Risks Relating to the Issuer*". The calculation of the Groupe BPCE's CET1 Capital Ratio also may be affected by changes in applicable accounting rules and the manner in which accounting policies are applied, including the manner in which permitted discretion under the applicable accounting rules is exercised and regulatory changes (including CET1 capital and risk weighted asset), revisions to models used by the Issuer to calculate its capital requirements (or revocation of, or amendments to, the regulatory permissions for using such models).

Due to the uncertainty regarding whether a Trigger Event will occur, it will be difficult to predict when, if at all, the Prevailing Principal Amount of the Notes may be written down in accordance with Condition 6 (*Write-Down*). Accordingly, the trading behaviour of the Notes may not necessarily follow the trading behaviour of other types of subordinated securities. Any indication that the Groupe BPCE's CET1 Capital Ratio is approaching the level that would trigger a Trigger Event (whether actual or perceived) may have an adverse effect on the market price and liquidity of the Notes. Under such circumstances, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to more conventional investments. As a result, investors in the Notes could lose all or part of their investments.

The Issuer's interests may not be aligned with those of investors in the Notes.

The Groupe BPCE's CET1 Capital Ratio will depend in part on decisions made by the Issuer and other entities in the Groupe BPCE relating to their businesses and operations, as well as the management of their capital position.

The Issuer and other entities in the Groupe BPCE will have no obligation to consider the interests of Noteholders in connection with their strategic decisions, including in respect of capital management and the relationship among the various entities in the Groupe BPCE and the Groupe BPCE's structure. As a consequence, the Issuer may decide not to raise capital at a time when it is feasible to do so, even if that would result in the occurrence of a Trigger Event. Moreover, in order to avoid the use of public resources, the Relevant Regulator may decide that the Issuer should allow a Trigger Event to occur at a time when it is feasible to avoid this. In accordance with Condition 15 (*Recognition of Bail-in and Loss Absorption*), Noteholders will not have any claim against the Issuer or any other entity of the Groupe BPCE relating to decisions that affect the capital position of the Groupe BPCE, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause Noteholders to lose the amount of their investment in the Notes.

3. Risk relating to payment of interest

The Notes will bear a fixed resettable interest rate

As provided in Condition 5 (*Interest*), the 2042 Notes bear interest on their Prevailing Principal Amount at a fixed rate of 1.50 per cent. *per annum* from (and including) the Issue Date, to (but excluding) the First Reset Date, therefore investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the 2042 Notes. Upon the occurrence of a Rating Methodology Event prior to the First Reset Date of the 2042 Notes, the Fixed Rate shall be reduced by 25 basis points to 1.250 per cent. as from the following Interest Payment Date.

Following the First Reset Date of the 2042 Notes, interest on the 2042 Notes shall be calculated on each Reset Date of the 2042 Notes on the basis of the prevailing 5-Year Mid-Swap Rate and a Margin. The 5-Year Mid-Swap Rate will be determined as of 11:00 a.m. (Central European time) on each Reset Date of

Interest Determination Date of the 2042 Notes and as such is not pre-defined at the date of issue of the 2042 Notes. Upon the occurrence of a Rating Methodology Event prior to the First Reset Date of the 2042 Notes, the Margin shall be reduced by 25 basis points to 1.500 per cent. as from the following Interest Payment Date.

As provided in Condition 5 (*Interest*), the 2046 Notes bear interest on their Prevailing Principal Amount at a fixed rate of 2.125 per cent. *per annum* from (and including) the Issue Date, to (but excluding) the First Reset Date, therefore investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the 2046 Notes. Upon the occurrence of a Rating Methodology Event prior to the First Reset Date of the 2046 Notes, the Fixed Rate shall be reduced by 25 basis points to 1.875 per cent. as from the following Interest Payment Date

Following the First Reset Date of the 2046 Notes, interest on the 2046 Notes shall be calculated on each Reset Date of the 2046 Notes on the basis of the prevailing 5-Year Mid-Swap Rate and a Margin. The 5-Year Mid-Swap Rate will be determined as of 11:00 a.m. (Central European time) on each Reset Date of Interest Determination Date of the 2046 Notes and as such is not pre-defined at the date of issue of the 2046 Notes. Upon the occurrence of a Rating Methodology Event prior to the First Reset Date of the 2046 Notes, the Margin shall be reduced by 25 basis points to 1.800 per cent. as from the following Interest Payment Date.

As a consequence, the returns on the “step-down Notes” may be less than anticipated and affect the market value of the Notes.

With respect to each of the 2042 Notes and the 2046 Notes, the Reset Rate of Interest in relation to a relevant Interest Period may be different from the Fixed Rate or from a Reset Rate of Interest applicable to a previous Interest Period and may adversely affect the yield of the Notes.

As a consequence of the above, interest income on the Notes cannot be anticipated. Due to varying interest income, Noteholders are not able to determine a definite yield of the 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. Noteholders are exposed to reinvestment risk if market interest rates decline. That is to say, Noteholders may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. In addition, the Issuer’s ability to issue fixed rate notes may affect the market value and the secondary market (if any) of the Notes.

The regulation and reform of “benchmarks” may adversely affect the value of Notes or alter the determination of the 5-Year Mid-Swap Rate.

Following the First Reset Date of each of the 2042 Notes and the 2046 Notes and in accordance with Condition 5.1 (*Interest rate*), interest amounts payable under the Notes are calculated by reference to the 5-Year Mid-Swap Rate, which appears on the Reuters screen page ICESWAP2. This 5-Year Mid-Swap Rate and, in particular, the Euro Interbank Offered Rate (“**EURIBOR**”) underlying the floating leg of the 5-Year Mid-Swap Rate constitute “benchmarks” for the purposes of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, as amended (the “**Benchmarks Regulation**”) published in the Official Journal of the European Union on 29 June 2016 and applied since 1 January 2018.

Interest rates and indices which are deemed to be “benchmarks” are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, to be subject to revised calculation methods, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes.

The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EEA. Notwithstanding the provisions of Condition 5.8 (*5-Year Mid-Swap Rate Discontinuation*) which seek to offset any adverse effects for the Noteholders, the Benchmarks Regulation could have an adverse effect on the market value and return of the Notes, in particular in the following circumstances:

- the 5-Year Mid-Swap Rate (or component part thereof or, as the case may be, any successor or alternative rate) may not be used by a supervised entity in certain ways if its administrator does

not obtain authorisation or registration or, if based in a non-EU jurisdiction, the administrator is not recognised as equivalent or recognised or endorsed and the transitional provisions do not apply; and

- if the methodology or other terms of the 5-Year Mid-Swap Rate (or component part thereof or, as the case may be, any successor or alternative rate) may be changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing or increasing the rate or level or otherwise affecting the volatility of the published rate or level of the "benchmark" and, as a consequence, Noteholders could lose part of their investment.

More broadly, any of the international, national or other proposals for reform, 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": (i) discourage market participants from continuing to administer or contribute to such "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmarks" or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international, national or other proposals for reform or other initiatives or investigations, could have an adverse effect on the market value of and return on the Notes.

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 by conferring on the European Commission the power to designate a statutory replacement for certain benchmarks, resulting in such benchmarks being replaced in contracts and financial instruments that have not been renegotiated before the date of cessation of the relevant benchmarks and contain either no contractual replacement (or so-called "fallback provision") or a fallback provision which is deemed unsuitable by the European Commission or competent national authorities (Article 23b of the Benchmarks Regulation). These provisions could have a significant negative impact on the value or liquidity of, and return on, the Notes in the event that the fallback provisions in the Terms and Conditions are deemed unsuitable. However, there are still uncertainties about the exact implementation of this provision pending the implementing acts of the European Commission. In addition, the Amending Regulation extended the transitional provisions applicable to third-country benchmarks until the end of 2023 and empowered the European Commission to further extend this transitional period until the end of 2025, if necessary. Such developments may also create uncertainty regarding any future legislative or regulatory requirements arising from the implementation of delegated regulations.

If the Reset Rate of Interest (or any successor or alternative rate) was discontinued or otherwise unavailable, the rate of interest on Notes will be determined for the relevant period by the applicable fallback provisions (see Condition 5.8 (*5-Year Mid-Swap Rate Discontinuation*)). Any of these measures could have an adverse effect on the market value or liquidity of, and return on, the Notes.

Risk relating to the occurrence of a Benchmark Event

The Terms and Conditions of the Notes provide that the 5-Year Mid-Swap Rate shall be determined by reference to the Screen Page. In circumstances where the 5-Year Mid-Swap Rate is discontinued, neither the Screen Page, nor any successor or replacement may be available. Where the Screen Page is not available, and no successor or replacement for the Screen Page is available, the Terms and Conditions of the Notes provide for the 5-Year Mid-Swap Rate to be determined by the Calculation Agent by reference to quotations from banks communicated to the Calculation Agent. If such quotations are not available, the 5-Year Mid-Swap Rate applicable to the next succeeding Interest Period shall be equal to the last 5-Year Mid-Swap Rate available on the Screen Page as determined by the Calculation Agent.

If a benchmark was 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 fall-back provisions set forth in Condition 5.8 (*5-Year Mid-Swap Rate Discontinuation*), it being specified that the ultimate fallback is to revert to the Reset Rate of Interest applicable as at the last preceding Reset Rate of Interest Determination Date before the 5-Year Mid-Swap Rate was discontinued.

If a Benchmark Event occurs, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser. The Independent Adviser shall endeavour to determine a Successor Mid-Swap Rate or Alternative Mid-Swap Rate to be used in place of the 5-Year Mid-Swap Rate (or component part thereof). The use of any such Successor Mid-Swap Rate or Alternative Mid-Swap Rate (the “**New Mid-Swap Rate**”) to determine the Reset Rate of Interest is likely to result in Notes initially linked to or referencing the 5-Year Mid-Swap Rate performing differently (which may include payment of a lower Reset Rate of Interest) than they would do if the 5-Year Mid-Swap Rate were to continue to apply in its current form.

However, if (a) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a New Mid-Swap Rate in accordance with this Condition 5.8(a) prior to the relevant Reset Rate of Interest Determination Date; or (iii) the Issuer determines that the replacement of the 5-Year Mid-Swap Rate with a New Mid-Swap Rate or any Benchmark Amendments would result in (x) a MREL/TLAC Disqualification Event or (y) the Relevant Regulator and/or the Relevant Resolution Authority treating the next Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date or (z) a Capital Event, in each of such cases, the Reset Rate of Interest for the next succeeding Interest Period will be the Reset Rate of Interest applicable as at the last preceding Reset Rate of Interest Determination Date before the occurrence of the Benchmark Event, or, where the Benchmark Event occurs before the first Reset Rate of Interest Determination Date, the Reset Rate of Interest will be the initial Reset Rate of Interest.

If the Issuer is unable to appoint an Independent Adviser or, the Independent Adviser fails to determine a New Mid-Swap Rate for the life of the relevant Notes, or if a New Mid-Swap Rate is not adopted because it could result in (x) a MREL/TLAC Disqualification Event or (y) the Relevant Regulator and/or the Relevant Resolution Authority treating the next Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date or (z) a Capital Event and, the initial Reset Rate of Interest, or the Reset Rate of Interest applicable as at the last preceding Reset Rate of Interest Determination Date before the occurrence of the Benchmark Event, will continue to apply to maturity. This will result in the Reset Rate of Interest, in effect, becoming fixed rate of interest. Investor in Notes may, in such circumstances, be materially affected and receive a lower interest as they would have expected if an Independent Adviser had been determined or if such Independent Adviser did not fail to determine such New Mid-Swap Rate.

4. Risk factors relating to the redemption of the Notes at their Prevailing Principal Amount

The Notes may be redeemed at the Issuer’s option on the relevant Optional Redemption Date or upon the occurrence of a Tax Event or a Capital Event or a MREL/TLAC Disqualification Event.

Subject as provided herein, in particular to the provisions of Condition 7.7 (*Conditions to Redemption and Purchase*), the Issuer may, at its option, subject to the prior permission of the Relevant Regulator, redeem the Notes in whole, but not in part, on the relevant Option Redemption Date (as set out in Condition 7.2) or at any time following the occurrence of a Capital Event (as set out in Condition 7.3), a Tax Event (as set out in Condition 7.4) or a MREL/TLAC Disqualification Event (as set out in Condition 7.5), at the Prevailing Principal Amount, together with accrued interest thereon. However, neither the French courts nor the French tax authorities have, as of the date of this Prospectus, expressed a position on the tax treatment of instruments such as the Notes, and they may not take the same view as the Issuer.

A Tax Event includes, among other things, any change in French laws or regulations (or their application or official interpretation) that would reduce the tax deductibility of interest on the Notes for the Issuer, or that would result in withholding tax requiring the Issuer to pay additional amounts.

The Issuer considers the Notes to be debt for French tax purposes based on their characteristics and accounting treatment and therefore expects that interest payments under the Notes will be fully deductible by the Issuer and (other than in respect of payments to individuals fiscally domiciled in France) exempt

from withholding tax if they are not held by shareholders of the Issuer and remain admitted to a recognised clearing system.

The Notes may be subject to early redemption if interest ceases to be fully deductible or withholding taxes were to apply as a result of a change in French law or regulations or a change in the application or interpretation of French law by the French tax authorities, which is not reasonably foreseeable as of the issue date of the Notes.

The Notes may also be subject to early redemption upon the occurrence of an MREL/TLAC Disqualification Event subject to such redemption being permitted by the Applicable MREL/TLAC Regulations and subject to the prior permission of the Relevant Regulator and/or the Relevant Resolution Authority if required.

An optional redemption feature may limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem the Notes when its cost of borrowing in respect of capital instruments is lower than the interest rate on the Notes. At those times, Noteholders 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. Therefore, an optional redemption may reduce the profits Noteholders may have expected in subscribing in the Notes.

The Issuer will not be required to redeem the Notes if it is prohibited by French law from paying additional amounts.

In the event that the Issuer is required to withhold amounts in respect of French taxes from payments of interest on the Notes, Condition 9 (*Taxation*) provides that, subject to certain exceptions, the Issuer will pay additional amounts so that the Noteholders will receive the amount they would have received in the absence of such withholding. Under French tax law, there is some uncertainty as to whether the Issuer may pay such additional amounts. French debt instruments typically provide that, if an issuer is required to pay additional amounts but is prohibited by French law from doing so, the issuer must redeem the debt instruments in full. Under Article 63 of the CRR, however, mandatory redemption clauses are not permitted in a Tier 2 instrument such as the Notes. As a result, Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*) provides for redemption at the option of the Issuer in such a case (subject to permission of the Relevant Regulator), but not for mandatory redemption. If the Issuer does not exercise its option to redeem the Notes in such a case, Noteholders will receive less than the full amount due under the Notes, and the market value of the Notes will be adversely affected.

5. Risk factors relating to trading market of the Notes

Liquidity risks and market 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, political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes or the reference rate are traded, the financial condition and the creditworthiness of the Issuer, 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 outstanding amount of the Notes, any redemption features of the Notes and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes. Therefore, Noteholders may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and in certain circumstances such investors could suffer loss of their entire investment.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in Euro pursuant to Condition 8 (*Payments*). This presents certain risks relating to currency conversions if a Noteholder's financial activities are denominated principally in a currency or currency unit (the "**Noteholder's Currency**") other than Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of Euro or revaluation of the Noteholder's Currency) and the risk that authorities with

jurisdiction over the Noteholder's Currency may impose or modify exchange controls. An appreciation in the value of the Noteholder's Currency relative to the Euro would decrease (a) the Noteholder's Currency-equivalent yield on the Notes, (b) the Noteholder's Currency equivalent value of the principal payable on the Notes and (c) the Noteholder's Currency-equivalent market value of the Notes.

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, Noteholders may receive less interest or principal than expected, or no interest or principal.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the sections referred to in the table below included in the following documents, which have been previously published or are published simultaneously with this Prospectus and that have been filed with the *Autorité des marchés financiers* (the “AMF”) for the purpose of the Prospectus Regulation, and shall be incorporated in, and form part of, this Prospectus (together, the “**Documents Incorporated by Reference**”). The non-incorporated parts of the documents incorporated by reference in this Prospectus shall not form part of this Prospectus:

- (a) the BPCE 2019 universal registration document (document d’enregistrement universel) (the “**BPCE 2019 Universal Registration Document**”), published in French, which was filed with the AMF under number D.20-0174, dated 25 March 2020;
https://groupebpce.com/content/download/19136/file/BPCE-URD-2019-FR_01.pdf
- (b) the BPCE 2020 Universal Registration Document (document d’enregistrement universel), published in French, which was filed with the AMF under registration number D.21-0182, dated 24 March 2021 (the “**BPCE 2020 Universal Registration Document**”); and
https://groupebpce.com/content/download/24497/file/BPCE-DEU2020-FR_01.pdf
- (c) the first amendment to the BPCE 2020 Universal Registration Document (document d’enregistrement universel) (the “**BPCE 2020 Universal Registration Document First Amendment**”), published in French, which was filed with the AMF under registration number D.21-0182-A01, dated 15 September 2021.
https://groupebpce.com/content/download/26880/file/Groupe%20BPCE_URD%202020_Premier%20amendement.pdf
- (d) the first amendment to the BPCE risks report (Pillar III) (the “**Pillar III Report First Amendment**”), published in French, dated 17 September 2021.
https://groupebpce.com/content/download/26895/file/Actualisation_semestrielle_Rapport_sur_les_risques_Pilier%20III_2020_VDEF.pdf

Free English language translations of the documents incorporated by reference in this Prospectus listed in paragraphs (a) to (d) are available, for information purposes only, on the Issuer’s website.

To the extent that the documents listed above themselves incorporate documents by reference, such additional documents shall not be deemed incorporated by reference herein.

Such documents shall be deemed to be incorporated by reference in, and form part of this Prospectus, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this 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 Prospectus.

The information incorporated by reference that is not included in the cross-reference list below is considered as additional information and is not required by the relevant schedules of the Prospectus Regulation.

Any non-incorporated parts or non-incorporated documents referred to above are not incorporated by reference as they are either not relevant for investors or covered elsewhere in the Prospectus.

It is important that Noteholders read this Prospectus in its entirety and the documents incorporated by reference herein, before making an investment decision. Incorporation by reference of the above-referenced documents means that the Issuer has disclosed important information to Noteholders by referring them to such documents.

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

Copies of the documents incorporated by reference in this Prospectus can be obtained from the Issuer’s registered office and are available by following the hyperlinks specified above. The documents mentioned in paragraphs (a)

to (c) will be available on the website of the AMF (www.amf-france.org) and on the Issuer's website (www.groupebpce.com) and filed with the AMF.

CROSS-REFERENCE LIST

Annex 7 of the Commission Delegated Regulation (EU) No. 2019/980, as amended supplementing the Prospectus Regulation	BPCE 2019 Universal Registration Document	BPCE 2020 Universal Registration Document	BPCE 2020 Universal Registration Document First Amendment	Pillar III Report First Amendment
3. RISK FACTORS			Pages 301 to 305	
4. INFORMATION ABOUT THE ISSUER				
4.1 History and development of the Issuer		Pages 14-15		
4.1.1. The legal and commercial name of the issuer		Page 712		
4.1.2. The place of registration of the issuer, its registration number and legal entity identifier (“LEI”).		Page 712		
4.1.3. The date of incorporation and the length of life of the issuer, except where the period is indefinite		Page 712		
4.1.4. The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.		Page 712		
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		Pages 18-19, 213-216, 233, 249-252, 399-402, 527, 717	Pages 29-32, 101, 103, 115-116, 211-212, 297, 325, 328 à 331, 346 et 347	Pages 5 to 7
5. BUSINESS OVERVIEW				
5.1 Principal activities		Pages 24-42, 218-228	Pages 29-99	
5.1.1 A brief description of the Issuer’s principal activities including the main categories of products sold and/ or services performed;		Pages 24-42		
5.1.2 The basis for any statements made by the Issuer regarding its competitive position;		Pages 24-42		
6. ORGANISATIONAL STRUCTURE				
6.1 If the Issuer is part of a Group, a brief description of the Group and the Issuer’s position within the Group. This may be in the form of, or accompanied by, a		Pages 16-17; 370-378; 511-514; 553-558	Pages 73, 104	

Annex 7 of the Commission Delegated Regulation (EU) No. 2019/980, as amended supplementing the Prospectus Regulation	BPCE 2019 Universal Registration Document	BPCE 2020 Universal Registration Document	BPCE 2020 Universal Registration Document First Amendment	Pillar III Report First Amendment
diagram of the organisational structure if this helps to clarify the structure;				
6.2 If the Issuer is dependent upon other entities within the Group, this must be clearly stated together with an explanation of this dependence;		Pages 16-17		
7. TREND INFORMATION				
7.2 Information of any known trends			Pages 101-102	
9. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES				
9.1 Names, business addresses and functions within the Issuer of the of the following persons and an indication of the principal activities performed by them outside of that Issuer where these are significant with respect to that Issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital.		Pages 8-9, 136-175	Pages 25-28	
9.2 Administrative, management, and supervisory bodies conflicts of interests Potential conflicts of interests between any duties to the Issuer, of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.		Pages 139, 208-209		
10. MAJOR SHAREHOLDERS				
10.1 To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused		Pages 716-717		
10.2 A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer		Page 717		
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES				

Annex 7 of the Commission Delegated Regulation (EU) No. 2019/980, as amended supplementing the Prospectus Regulation	BPCE 2019 Universal Registration Document	BPCE 2020 Universal Registration Document	BPCE 2020 Universal Registration Document First Amendment	Pillar III Report First Amendment
11.1 Historical Financial Information				
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.	BPCE – Pages 502-542	BPCE – 530-573		
11.1.5 Consolidated financial statements 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.	Groupe BPCE – Pages 198-210 and 219-358 Groupe BPCE SA – Pages 367-485	Groupe BPCE – 217-230 and 239-380 Groupe BPCE SA – 389-515	Groupe BPCE – 105-199 Groupe BPCE SA – 201-294	
11.2 Auditing of historical annual financial information	BPCE – Pages 543-546 Groupe BPCE – Pages 359-366 Groupe BPCE SA – Pages 486-494	BPCE – 574-577 Groupe BPCE – 381-388 Groupe BPCE SA – 416-522	Groupe BPCE – 200 Groupe BPCE SA – 295	
11.3 Legal and arbitration proceedings		Pages 684-687		
12. MATERIAL CONTRACTS				
A brief summary of all material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any group member being under an obligation or an entitlement that is material to the Issuer's ability to meet its obligations to security holders in respect of the securities being issued.		Page 717		
13. DOCUMENTS AVAILABLE		Page 735	Page 364	

TERMS AND CONDITIONS OF THE 2042 NOTES

The terms and conditions of the 2042 Notes will be as follows:

1 Introduction

The issue of the EUR900,000,000 Fixed Resetable Subordinated Contingent Tier 2 Notes (the “**Notes**” or the “**2042 Notes**”) of BPCE, a French *société anonyme* (the “**Issuer**”) has been authorised by a resolution of the *Directoire* of the Issuer dated 15 March 2021. The Notes will be issued as Tranche 1 of Series 2021-13 under the Issuer’s Euro 40,000,000,000 Euro Medium Term Note Programme (the “**Programme**”).

The Issuer has entered into an agency agreement dated 20 November 2020 in connection with the Programme (the “**Agency Agreement**”) with BNP Paribas Securities Services as fiscal agent, principal paying agent and calculation agent. The fiscal agent and principal paying agent, the calculation agent and the paying agent for the time being are respectively referred to in these Conditions as the “**Fiscal Agent**”, the “**Principal Paying Agent**”, the “**Calculation Agent**” and the “**Paying Agent**” (which expression shall include the Principal Paying Agent), each of which expression shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement, and are collectively referred to as the “**Agents**”. Copies of the Agency Agreement are available for inspection at the specified offices of the Paying Agent.

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

References below to “**day**” or “**days**” are to calendar days unless the context otherwise specifies.

2 Interpretation

2.1 *Definitions:* In these Conditions the following expressions have the following meanings:

“**30/360**” means, 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:

“Y1” is the year, expressed as a number, in which the first day of the calculation period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the calculation period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the calculation period falls;

“M2” is the calendar month, expressed as number, in which the day immediately following the last day included in the calculation period falls;

“D1” is the first day, expressed as a number, of the calculation period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the day, expressed as a number, immediately following the last day included in the calculation period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

“**5-Year Mid-Swap Rate**” means, in relation to a Reset Period and the Reset Rate of Interest Determination Date in relation to such Reset Period:

- (a) the mid-swap rate for euro swaps with a term of 5 years which appears on the Screen Pages as of 11:00 a.m. (Central European time) on such Reset Rate of Interest Determination Date; or

- (b) if such rate does not appear on the Screen Page as of such time on such Reset Rate of Interest Determination Date, except as provided in Condition 5.8 (*5-Year Mid-Swap Rate Discontinuation*), the Reset Reference Bank Rate on such Reset Rate of Interest Determination Date;

“5-Year Mid-Swap Rate Quotations” means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap transaction which:

- (a) has a term of 5 years commencing on the relevant Reset Date;
- (b) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market; and
- (c) has a floating leg (calculated on an Actual/360 day count basis) based on six-month EURIBOR;

“Account Holders” shall have the meaning attributed thereto in Condition 3 (*Form, Denomination and Title*);

“Actual/360” means the actual number of days in the relevant period divided by 360;

“Adjustment Spread” means either a spread (which may be positive or negative), or the formula or the methodology for calculating a spread, in either case, which the Independent Adviser determines and which is required to be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, as the case may be, to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit, as the case may be, to Noteholders as a result of the replacement of the 5-Year Mid-Swap Rate with the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, as the case may be, and is the spread, formula or methodology which:

- (i) in the case of a Successor Mid-Swap Rate, is formally recommended in relation to the replacement of the 5-Year Mid-Swap Rate with the Successor Mid-Swap Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Mid-Swap Rate);
- (ii) the Independent Adviser determines is customarily applied to the relevant Successor Mid-Swap Rate or the Alternative Mid-Swap Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the 5-Year Mid-Swap Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
- (iii) the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the 5-Year Mid-Swap Rate, where such rate has been replaced by the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, as the case may be; or
- (iv) the Independent Adviser determines to be appropriate.

“Alternative Mid-Swap Rate” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5.8(b) and which is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for a determined interest period in euro;

“Agency Agreement” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“Applicable Banking Regulations” means at any time the laws, regulations, requirements, guidelines and policies of the Relevant Regulator relating to capital adequacy and then in effect in France including, without limitation to the generality of the foregoing, those regulations, requirements, guidelines and policies relating to capital adequacy then in effect of, and as applied by, the Relevant Regulator;

“Applicable MREL/TLAC Regulations” means, at any time, the laws, regulations, requirements, guidelines and policies giving effect to (i) MREL and (ii) the principles set forth in the FSB TLAC Term Sheet or any successor principles. If there are separate laws, regulations, requirements, guidelines and policies giving effect to the principles described in (i) and (ii), then “Applicable MREL/TLAC Regulations” means all such regulations, requirements, guidelines and policies;

“Bail-in or Loss Absorption Power” has the meaning set forth in Condition 15 (*Recognition of Bail-in and Loss Absorption*);

“Banques Populaires” means the 14 members of the *Banques Populaires* network (made up of 12 regional banks, CASDEN Banque Populaire and Crédit Coopératif);

“Benchmark Amendments” has the meaning given to it in Condition 5.8(b);

“Benchmark Event” means, in relation to 5-Year Mid-Swap Rate (or component part thereof), any of the following:

- (i) the 5-Year Mid-Swap Rate (or component part thereof) ceasing to be published for a period of at least five (5) Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the 5-Year Mid-Swap Rate (or component part thereof) that it has ceased or that it will cease publishing the 5-Year Mid-Swap Rate (or component part thereof) permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the 5-Year Mid-Swap Rate (or component part thereof)); or
- (iii) a public statement by the supervisor of the administrator of the 5-Year Mid-Swap Rate (or component part thereof), that the 5-Year Mid-Swap Rate (or component part thereof) has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the 5-Year Mid-Swap Rate as a consequence of which the 5-Year Mid-Swap Rate will be prohibited from being used either generally, or in respect of the Notes;
- (v) the making of a public statement by the supervisor of the administrator of the 5-Year Mid-Swap Rate that the 5-Year Mid-Swap Rate (or component part thereof), in the opinion of the supervisor, is no longer representative of an underlying market or that its method calculation has significantly changes; or
- (vi) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the 5-Year Mid-Swap Rate (or component part thereof);

provided that in the case of sub-paragraphs (ii), (iii) and (iv), the Benchmark Event shall occur on the date of the cessation of publication of the 5-Year Mid-Swap Rate (or component part thereof), the discontinuation of the 5-Year Mid-Swap Rate (or component part thereof), or the prohibition of use of the 5-Year Mid-Swap Rate (or component part thereof), as the case may be, and not the date of the relevant public statement.

“BRRD” means the Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms as published in the Official Journal of the European Union on 12 June 2014, as amended by the Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC, as amended or replaced from time to time or, as the case may be, any implementation provision under French law;

“Business Day” means a day (other than a Saturday or a Sunday) on which (i) Euroclear France is open for business, (ii) the TARGET System is operating and (iii) commercial banks and foreign exchange markets are open for general business in France;

“Calculation Agent” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“Capital Event” means a change in the regulatory classification of the Notes, that was not reasonably foreseeable by the Issuer at the Issue Date, as a result of which the Notes would be fully excluded from Tier 2 Capital;

“Caisses d’Epargne” means the 15 Caisses d’Epargne et de Prévoyance;

“CDR” means the Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014 supplementing the CRR with regard to regulatory technical standards for own funds requirements for institutions, as amended from time to time;

“Clearstream” shall have the meaning attributed thereto in Condition 3 (*Form, Denomination and Title*);

“Code” shall have the meaning attributed thereto in Condition 8 (*Payments*);

“CRD IV” means the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as published in the Official Journal of the European Union on 27 June 2013, as amended from time to time or such other directive as may come into effect in place thereof (including by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures);

“CRD IV Implementing Measures” means any regulatory capital rules implementing the CRD IV or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Relevant Regulator, which are applicable to the Issuer and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital of the Issuer;

“CRD IV Rules” means any or any combination of the CRD IV, the CRR and any CRD IV Implementing Measures;

“CRR” means the Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013, on prudential requirements for credit institutions and investment firms, as published in the Official Journal of the European Union on 27 June 2013, as amended from time to time or such other regulation as may come into effect in place thereof (including by Regulation (EU) No. 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012);

“Day Count Fraction” means the number of days in the relevant period from (and including) the date from which interest begins to accrue to (but excluding) the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last);

“Electronic Consent” shall have the meaning attributed thereto in Condition 12 (*Meeting and voting provisions*);

“Euroclear” shall have the meaning attributed thereto in Condition 3 (*Form, Denomination and Title*);

“Euroclear France” shall have the meaning attributed thereto in Condition 3 (*Form, Denomination and Title*);

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

“First Reset Date” means 13 January 2027;

“Fixed Rate” means 1.50 per cent. *per annum*, provided that upon the occurrence of a Rating Methodology Event the rate shall be reduced by 25 basis points to 1.250 per cent. *per annum* as from the following Interest Payment Date;

“FSB TLAC Term Sheet” means the Total Loss Absorbing Capacity (TLAC) term sheet set forth in the document dated 9 November 2015 published by the Financial Stability Board, entitled “Principles on Loss-absorbing and Recapitalisation Capacity of G-SIBs in Resolution,” as amended from time to time;

“General Meeting” shall have the meaning attributed thereto in Condition 12 (*Meeting and voting provisions*);

“Gross-Up Event” shall have the meaning attributed thereto in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*);

“Groupe BPCE” means Groupe BPCE SA, the Banques Populaires, the Caisses d’Epargne and certain affiliated entities;

“Groupe BPCE Net Income” means the consolidated net income after the Issuer has taken a formal decision confirming the final amount thereof;

“Groupe BPCE’s CET1 Capital Ratio” means the Groupe BPCE’s Common Equity Tier 1 capital ratio pursuant to Article 92(1)(a) of the CRR calculated in accordance with Article 92(2)(a) of the CRR;

“Groupe BPCE SA” means the Issuer and its consolidated subsidiaries and associates;

“Higher Trigger Loss Absorbing Instruments” obligations or capital instruments which include a principal loss absorption mechanism that is capable of generating CET1 Capital of Groupe BPCE and that is activated by an event equivalent to the Trigger Event in all material respects except that the threshold for activation of such principal loss absorption is set at a Groupe BPCE’s CET1 Capital Ratio higher than 7.00 per cent.;

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5.8(a);

“Interest Payment Date” means 13 January in each year commencing on 13 January 2022 to (and including) the Maturity Date;

“Interest Period” means the period beginning on (and including) the Issue 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;

“Issue Date” means 13 October 2021;

“Issuer” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“Margin” means 1.75 per cent., provided that upon occurrence of a Rating Methodology Event prior to the First Reset Date, the Margin shall be reduced by 25 basis points to 1.500 per cent. as from the following Interest Payment Date;

“Maturity Date” means, unless previously redeemed or purchased and cancelled, 13 January 2042 if the Conditions to Redemption and Purchase are satisfied and otherwise as soon thereafter as the Conditions to Redemption and Purchase are so satisfied;

“**Masse**” shall have the meaning attributed thereto in Condition 12 (*Meeting and voting provisions*);

“**MREL**” means the “minimum requirement for own funds and eligible liabilities” for banking institutions under the BRRD, as set in accordance with Article 45 of the BRRD, Article 12 of the Single Resolution Mechanism Regulation and Commission Delegated Regulation (EU) No. 2016/1450 of 23 May 2016, or any successor requirement under the Applicable MREL/TLAC Regulations and the Applicable Banking Regulations;

“**MREL/TLAC Disqualification Event**” means at any time that all or part of the outstanding nominal amount of the Notes does not fully qualify as MREL/TLAC-Eligible Instruments, except where such non-qualification was reasonably foreseeable by the Issuer at the Issue Date or is due to the remaining maturity of the Notes being less than any period prescribed by the Applicable MREL/TLAC Regulations;

“**MREL/TLAC-Eligible Instrument**” means an instrument that is eligible to be counted towards the MREL of the Issuer and that constitutes a TLAC-eligible instrument of the Issuer (within the meaning of the FSB TLAC Term Sheet), in each case in accordance with Applicable MREL/TLAC Regulations;

“**Notes**” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“**Noteholders**” means holders of the Notes;

“**Optional Redemption Date**” means any date falling in the period commencing on (and including) 13 October 2026 and ending on (and including) the First Reset Date and every Interest Payment Date thereafter;

“**Ordinarily Subordinated Obligations**” means any present or future subordinated obligations of the Issuer, whether in the form of notes or loans or otherwise, which rank, or are expressed to rank, *pari passu* among themselves, and are direct, unconditional, unsecured and subordinated obligations of the Issuer but in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits “super subordonnés”* or *engagements subordonnés de dernier rang*);

“**Original Principal Amount**” means the notional amount of the Notes as of the Issue Date;

“**outstanding**” means all the Notes issued other than (a) those that have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid to the relevant Account Holders on behalf of the Noteholder as provided in Condition 8 (*Payments*), (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions; provided that, for the purposes of ascertaining the right to (x) attend and vote at any General Meeting and (y) to approve any Written Resolution, those Notes that are held by, or are held on behalf of, the Issuer or any of its subsidiaries and not cancelled shall (unless and until ceasing to be so held) be deemed not to be outstanding.

“**Paying Agents**” and “**Principal Paying Agent**” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“**Prevailing Principal Amount**” means the Principal Amount as may be reduced from time to time by a Write-Down;

“**Principal Amount**” means in respect of each Note, EUR200,000 being the principal amount of each Note on the Issue Date;

“**Rating Methodology Event**” means a change in methodology of S&P Global Ratings Europe Limited (“**S&P**”) (or in the interpretation of such methodology) that was not reasonably foreseeable by the Issuer at the Issue Date as a result of which the equity content assigned by S&P to the Notes is, in the reasonable

opinion of the Issuer, materially reduced when compared to the equity content assigned by S&P to the Notes on the Issue Date or, if later, on the date on which such equity content was first assigned to the Notes;

“Reference Date” means the accounting date at which the applicable Relevant Groupe BPCE Net Income was determined;

“Regulated Market” means a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU), as amended or replaced from time to time;

“Relevant Nominating Body” means:

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

“Relevant Regulator” means the European Central Bank and any successor or replacement thereto, or other authority including, but not limited to any resolution authority having primary responsibility for the prudential oversight and supervision of the Issuer and/or the application of the Applicable Banking Regulations to the Issuer and the Groupe BPCE;

“Relevant Resolution Authority” has the meaning set forth in Condition 15 (*Recognition of Bail-in and Loss Absorption*);

“Representative” shall have the meaning attributed thereto in Condition 13 (*Meeting and voting provisions*);

“Reset Date” means the First Reset Date and every Interest Payment Date which falls five (5), or a multiple of five (5), years after the First Reset Date;

“Reset Period” means each period from (and including) a Reset Date to (but excluding) (i) with respect to a Reset Period other than the last Reset Period, the next succeeding Reset Date, and (ii) with respect to the last Reset Period, the date on which the Notes are finally redeemed;

“Reset Rate of Interest” means the sum of (a) the 5-Year Mid-Swap Rate plus (b) the Margin, except that if the sum of (a) the 5-Year Mid-Swap Rate plus (b) the Margin is less than zero, the Reset Rate of Interest will be deemed to be equal to zero;

“Reset Rate of Interest Determination Date” means, in relation to a Reset Period, the day falling two (2) Business Days prior to the Reset Date on which such Reset Period commences;

“Reset Reference Bank Rate” means the rate determined on the basis of the 5-Year Mid-Swap Rate Quotations provided by the Reset Reference Banks to the Calculation Agent at approximately 11:00 a.m. (Central European time) on the Reset Rate of Interest Determination Date. If at least four (4) quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two (2) quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean (rounded as aforesaid) of the quotations provided. If only one (1) quotation is provided, the Reset Reference Bank Rate will be the quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be the last observable mid-swap rate of euro swaps with a term of 5 years which appears on the Screen Page, as determined by the Calculation Agent except that if the Calculation Agent determines that

the absence of quotations is due to the occurrence of a Benchmark Event, then the 5-Year Mid-Swap Rate (or component part thereof) will be determined in accordance with Condition 5.8 (*5-Year Mid-Swap Rate Discontinuation*);

“Reset Reference Banks” means four (4) leading swap dealers in the Euro-zone interbank market selected by the Calculation Agent;

“Senior Obligations” means all unsecured and unsubordinated obligations of the Issuer, and all other obligations expressed to rank senior to the Notes and to Ordinarily Subordinated Obligations or any other obligation expressed to rank junior to Senior Obligations, as provided by their terms or by law;

“Screen Page” means Reuters screen “ICESWAP2”, or such other page as may replace it on Reuters or, as the case may be, on such other equivalent information service that may replace Reuters, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying equivalent or comparable rates to the 5-Year Mid-Swap Rate;

“Successor Mid-Swap Rate” means a successor to or replacement of the 5-Year Mid-Swap Rate (or component part thereof) which is formally recommended by any Relevant Nominating Body. If, following a Benchmark Event, more than one successor or replacement rates are recommended by any Relevant Nominating Body, the Independent Adviser shall determine which of those successor or replacement rates is the most appropriate, taking into consideration, without limitation, the particular features of the Notes and the nature of the Issuer;

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto;

“Tax Deduction Event” shall have the meaning attributed thereto in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*);

“Tax Event” means a Tax Deduction Event, a Withholding Tax Event or a Gross-Up Event;

“Tier 1 Capital” means capital which is treated by the Relevant Regulator as a constituent of tier 1 under Applicable Banking Regulations from time to time for the purposes of the Issuer;

“Tier 2 Capital” means capital which is treated by the Relevant Regulator as a constituent of tier 2 under Applicable Banking Regulations from time to time for the purposes of the Issuer;

“Trigger Event” shall occur if, at any time, the Groupe BPCE’s CET1 Capital Ratio is less than the Trigger Level unless a Rating Methodology Event has occurred and has been notified by the Issuer to the Noteholders prior to the First Reset Date in which case there shall be no Trigger Event;

“Trigger Level” means 7.000 per cent.;

“Withholding Tax Event” shall have the meaning attributed thereto in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*);

“Write-Down” or **“Written Down”** shall have the meaning attributed thereto in Condition 6.1 (*Write-Down*);

“Write-Down Amount” is the amount of the Write-Down of the Prevailing Principal Amount of the Notes on the Write-Down Date, which amount shall be equal to 25% of the Prevailing Principal Amount;

“Write-Down Date” means the date on which the Notes will be written down, being no later than one (1) month after the occurrence of a Trigger Event pursuant to Condition 6 (*Write-Down*), or any earlier date as selected by the Issuer or as instructed by the Relevant Regulator, and as specified in the Write-Down Notice;

“**Write-Down Notice**” means a notice which specifies (i) that a Trigger Event has occurred, (ii) the Write-Down Amount and (iii) the Write-Down Date. Any such notice shall be accompanied by a certificate signed by two Directors of the Issuer stating that the Trigger Event has occurred; and

“**Written Resolution**” shall have the meaning attributed thereto in Condition 12 (*Meeting and voting provisions*).

2.2 Interpretation: In these Conditions:

- (i) any reference to principal shall be deemed to include the Prevailing Principal Amount and any other amount in the nature of principal payable pursuant to these Conditions; and
- (ii) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 9 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions.

3 Form, Denomination and Title

The Notes will be issued on 13 October 2021 (the “**Issue Date**”) in dematerialised bearer form (*au porteur*) in the denomination of EUR200,000 each. The Notes will at all times be represented in book-entry form (*inscription en compte*) in the books of the Account Holders in compliance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier*. 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 will, upon issue, be inscribed in the books of Euroclear France (acting as central depository) (“**Euroclear France**”), which shall credit the accounts of the Account Holders.

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

Title to the Notes shall pass upon, and transfer of the Notes may only be effected through, registration of the transfer in the accounts of Account Holders.

4 Status of the Notes

The Notes are subordinated notes of the Issuer issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce* and are subordinated instruments as provided for in Article L.613-30-3-I-5° of the *Code monétaire et financier*.

It is the intention of the Issuer that the Notes shall, for regulatory purposes, be treated as Tier 2 Capital. Condition 4.1 below will apply in respect of the Notes for so long as such Notes are treated for regulatory purposes as Tier 2 Capital (such Notes being hereafter referred to as “**Qualifying Subordinated Notes**”). Should any outstanding Notes be fully excluded from Tier 2 Capital (“**Disqualification Event**”) (Notes affected by a Disqualification Event being hereafter referred to as “**Disqualified Subordinated Notes**”), Condition 4.2 will automatically apply to such Disqualified Subordinated Notes in lieu of Condition 4.1 without the need for any action from the Issuer and without consultation of the Noteholders or the holders of any other notes of the Issuer outstanding at such time.

4.1 Status of Qualifying Subordinated Notes

If and for so long as the Notes are Qualifying Subordinated Notes, principal and interest thereon constitute and will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking *pari passu* without any preference among themselves and *pari passu* with all other present or future subordinated instruments that are, or have been before 28 December 2020 (in the case of instruments issued before that date), fully or partially recognised as Tier 2 Capital of the Issuer, in accordance with Article L.613-30-3-I-5° of the *Code monétaire et financier*.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Qualifying Subordinated Notes shall be:

- (A) subordinated to the payment in full of:
 - (1) any creditors (including depositors) in respect of Senior Obligations;
 - (2) any subordinated creditors ranking or expressed to rank senior to the Qualifying Subordinated Notes;
 - (3) any Disqualified Subordinated Notes issued by the Issuer; and
- (B) paid in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits “super subordonnés”* or *engagements subordonnés de dernier rang*).

4.2 Status of Disqualified Subordinated Notes

If the Notes become Disqualified Subordinated Notes, principal and interest thereon, and, where applicable, any related Receipts and Coupons, constitute and will constitute direct, unconditional, unsecured and subordinated obligations ranking *pari passu* among themselves and *pari passu* with all other present or future subordinated instruments that are not, and have not been before 28 December 2020 (in the case of instruments issued before that date), recognised as additional tier 1 capital (as defined in Article 52 of the CRR which are treated as such by the then current requirements of the Relevant Regulator, and as amended by Part 10 of the CRR (Article 484 *et seq.* on grandfathering)) or Tier 2 Capital of the Issuer in accordance with Article L.613-30-3-I-5° of the *Code monétaire et financier*.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Disqualifying Subordinated Notes shall be:

- (A) subordinated to the payment in full of:
 - (1) any creditors (including depositors) in respect of Senior Obligations;
 - (2) any subordinated creditors ranking or expressed to rank senior to the Disqualified Subordinated Notes; and
- (B) paid in priority to any Qualifying Subordinated Notes, Ordinarily Subordinated Notes, *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits “super subordonnés”* or *engagements subordonnés de dernier rang*).

The Noteholders shall be responsible for taking all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation in relation to any claims they may have against the Issuer.

The potential impact on the investment in the event of resolution of the Issuer is detailed in Condition 15 (*Recognition of Bail-in and Loss Absorption*).

In the event of incomplete payment of the Senior Obligations, the obligations of the Issuer in connection with the Notes will be terminated.

There is no negative pledge in respect of the Notes.

5 Interest

5.1 *Interest rate*: Unless previously redeemed in accordance with Condition 7 (*Redemption and Purchase*), the Notes will bear interest on their Prevailing Principal Amount at a rate described in (i) and (ii) below (such rate of interest, the “**Rate of Interest**”):

- (i) from (and including) the Issue Date to (but excluding) the First Reset Date at a Fixed Rate payable annually in arrear on each Interest Payment Date up to (and including) the First Reset Date; and

- (ii) from (and including) the First Reset Date to (but excluding) the Maturity Date, at a rate *per annum* which will be subject to a reset every five (5) years and shall be equal to the Reset Rate of Interest of the relevant Reset Period, payable annually in arrear on each Interest Payment Date following the First Reset Date up to (and including) the Maturity Date, as determined by the Calculation Agent, subject in any case as provided in Condition 8 (*Payments*).
- There will be a first short coupon for the period from (and including) the Issue Date (but excluding) 13 January 2022.
- 5.2 *Accrual of interest*: Each Note will cease to bear interest from the due date for redemption unless payment of the Prevailing Principal Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of:
 - (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and
 - (ii) the day which is seven (7) days after the Principal Paying Agent has notified the Noteholders in accordance with Condition 14 (*Notices*) that it has received all sums due in respect of the Notes up to such seventh (7th) day (except to the extent that there is any subsequent default in payment).
- 5.3 *Determination of Reset Rate of Interest*: The Calculation Agent will, as soon as practicable after 11:00 a.m. (Central European time) on each Reset Rate of Interest Determination Date, calculate the Reset Rate of Interest for such Reset Period.
- 5.4 *Publication of Reset Rate of Interest*: The Calculation Agent will cause the Reset Rate of Interest determined by it to be notified to the Principal Paying Agent as soon as practicable after such determination but in any event not later than the relevant Reset Date. Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 14 (*Notices*).
- 5.5 *Calculation of amount of interest per Note*: The amount of interest payable in respect of each Note for any period shall be calculated by:
 - (i) applying the applicable Rate of Interest to the Prevailing Principal Amount;
 - (ii) multiplying the product thereof by the Day Count Fraction; and
 - (iii) rounding the resulting figure to the nearest EUR0.01 (EUR0.005 being rounded upwards).
- 5.6 *Notifications etc*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5 (*Interest*) by the Calculation Agent or, as the case may be, any Independent Adviser will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and (subject as aforesaid) no liability to any such person will attach to the Calculation Agent or, as the case may be, any Independent Adviser in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.
- 5.7 *Calculation Agent*: The Agency Agreement provides that the Issuer may at any time terminate the appointment of the Calculation Agent and appoint a substitute Calculation Agent provided that so long as any of the Notes remain outstanding, there shall at all times be a Calculation Agent for the purposes of the Notes. The Calculation Agent may not resign its duties or be removed without a successor having been appointed. The Calculation Agent shall act as an independent expert in the performance of its duties and not as agent for the Issuer or the Noteholders.

Notice of any change of Calculation Agent or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 14 (*Notices*) and, so long as the Notes are admitted to trading on Euronext Paris and if the rules applicable to such stock exchange so require, to such stock exchange.

5.8 *5-Year Mid-Swap Rate Discontinuation:*

(a) Independent Adviser

If a Benchmark Event occurs in relation to a 5-Year Mid-Swap Rate (or any component part thereof) when any Reset Rate of Interest remains to be determined by reference to such 5-Year Mid-Swap Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Mid-Swap Rate, failing which an Alternative Mid-Swap Rate (in accordance with Condition 5.8(b)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5.8(d)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 5.8 shall act in good faith, in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith, manifest error or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, or the Noteholders for any determination made by it, pursuant to this Condition 5.8.

If:

- (i) the Issuer is unable to appoint an Independent Adviser; or
- (ii) the Independent Adviser appointed by it fails to determine a Successor Mid-Swap Rate or, failing which, an Alternative Mid-Swap Rate in accordance with this Condition 5.8(a) prior to the relevant Reset Rate of Interest Determination Date; or
- (iii) the Issuer determines that the replacement of the 5-Year Mid-Swap Rate with the Successor Mid-Swap Rate, failing which, the Alternative Mid-Swap Rate or any Benchmark Amendments (as defined below) would result in (x) a MREL/TLAC Disqualification Event or (y) the Relevant Regulator and/or the Relevant Resolution Authority treating the next Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date or (z) a Capital Event,

the Reset Rate of Interest applicable to the next succeeding Interest Period will be and in the case of paragraph (iii) above may be, at the option of the Issuer, equal to the last Reset Rate available as determined by the Calculation Agent.

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

If the Independent Adviser, determines that:

- there is a Successor Mid-Swap Rate, then such Successor Mid-Swap Rate and the applicable Adjustment Spread shall subsequently be used in place of the 5-Year Mid-Swap Rate (or component part thereof) to determine the relevant Reset Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5.8); or
- there is no Successor Mid-Swap Rate but that there is an Alternative Mid-Swap Rate, then such Alternative Mid-Swap Rate and the applicable Adjustment Spread shall subsequently be used in place of the 5-Year Mid-Swap Rate (or component part thereof) to determine the relevant Reset Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5.8).

(c) Adjustment Spread:

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for

determining, such Adjustment Spread, then the Successor Mid-Swap Rate or Alternative Mid-Swap Rate (as applicable) will apply without an Adjustment Spread.

(d) **Benchmark Amendments:**

If any Successor Mid-Swap Rate or Alternative Mid-Swap Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5.8 and the Independent Adviser determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Mid-Swap Rate or Alternative Mid-Swap Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5.8(e), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5.8(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(e) **Notices, etc:**

Any Successor Mid-Swap Rate, Alternative Mid-Swap Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5.8 will be notified promptly by the Issuer, after receiving such information from the Independent Adviser, to the Principal Paying Agent, the Calculation Agent, the Paying Agents, the Representative and, in accordance with Condition 14 (*Notices*), the Noteholders. Such notices shall specify the effective date of the Benchmark Amendments, if any.

The Successor Mid-Swap Rate or Alternative Mid-Swap Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error, bad faith or fraud in the determination of the Successor Mid-Swap Rate or Alternative Mid-Swap Rate and the Adjustment Spread and the Benchmark Amendments (if any)) be binding on the Issuer, the Calculation Agent, the Paying Agents and the Noteholders.

(f) **Survival of 5-Year Mid-Swap Rate**

Without prejudice to the obligations of the Issuer under Condition 5.8 (a), (b), (c), (d), the 5-Year Mid-Swap Rate will continue to apply unless and until a Benchmark Event has occurred.

(g) **Noteholders’ deemed consent**

By subscribing to, or acquiring, the Notes, and solely in the context of a Benchmark Event which leads to the application of a Benchmark Amendment, each Noteholder shall be deemed to have agreed and approved any Benchmark Amendments or such other necessary changes pursuant to this Condition 5.8.

6 Write-Down

6.1 *Write-Down:* Upon the occurrence of a Trigger Event and unless the CET1 generated through Higher Trigger Loss Absorbing Instruments is sufficient to remedy such Trigger Event, the Issuer shall:

- (i) immediately notify the Relevant Regulator of the occurrence of the Trigger Event;
- (ii) give a Write-Down Notice to Noteholders (in accordance with Condition 14 (*Notices*)) and the Principal Paying Agent; and

- (iii) irrevocably (without the need for the consent of Noteholders) reduce on the Write-Down Date the then Prevailing Principal Amount of each Note by the relevant Write-Down Amount (such reduction being referred to as a “*Write-Down*”, and “*Written Down*” being construed accordingly).

Notwithstanding the foregoing, failure to give such notice shall not prevent the Issuer from effecting a Write-Down.

Furthermore, if a notice of a Trigger Event has been given pursuant to this Condition 6.1, no notice of redemption may be given pursuant to Condition 7.2 (*Redemption at the Option of the Issuer*), Condition 7.3 (*Optional Redemption upon the occurrence of a Capital Event*) or Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*) until the Write-Down Date.

The Notes may only be subject to Write-Down once.

- 6.2 *Consequence of a Write-Down*: Write-Down of the Prevailing Principal Amount shall not constitute a default in respect of the Notes or a breach of the Issuer’s obligations or duties or a failure to perform by the Issuer in any manner whatsoever and shall not entitle Noteholders to petition for the insolvency or dissolution of the Issuer. There will be no reinstatement of the Prevailing Principal Amount of the Notes even if the circumstances giving rise to the Trigger Event have ceased or have been cured.

Following a Write-Down of the Prevailing Principal Amount, Noteholders will be automatically deemed to waive irrevocably their rights to receive, and no longer have any rights against the Issuer with respect to, interest on and repayment of the Write-Down Amount.

7 Redemption and Purchase

- 7.1 *Redemption at maturity*: Subject to Condition 7.8 (*Conditions to Redemption and Purchase*), unless previously redeemed, purchased and cancelled as provided for below, the Notes will be redeemed at their Prevailing Principal Amount, together with any interest accrued to the date fixed for redemption (if any), on the Maturity Date.
- 7.2 *Redemption at the Option of the Issuer*: The Issuer may (at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below), subject to having given no less than fifteen (15) nor more than thirty (30) days’ prior notice to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem the then outstanding Notes, on the relevant Optional Redemption Date in whole, but not in part, at their Prevailing Principal Amount, together with any interest accrued to (but excluding) the relevant Optional Redemption Date (if any).
- 7.3 *Optional Redemption upon the occurrence of a Capital Event*: Upon the occurrence of a Capital Event, the Issuer may (at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below) at any time subject to having given no less than thirty (30) nor more than forty-five (45) days’ notice to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem the then outstanding Notes in whole, but not in part, at their Prevailing Principal Amount, together with any interest accrued to the date fixed for redemption (if any).
- 7.4 *Optional Redemption upon the occurrence of a Tax Event*:
 - (i) If by reason of a change in French laws or regulations, or any change in the application or official interpretation of such laws or regulations, or any other change in the tax treatment of the Notes which is required by law or which is requested in writing by a competent tax authority, becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 9 (*Taxation*) (a “**Withholding Tax Event**”), the Issuer may, at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below, on any Interest Payment Date, subject to having given no less than thirty (30) nor more than forty-five (45) days’ notice to the

Noteholders (in accordance with Condition 14 (*Notices*)) (which notice shall be irrevocable) and the Principal Paying Agent, redeem all but not some only of the then outstanding Notes at their Prevailing Principal Amount, together with any interest accrued to the date fixed 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 interest without withholding for such taxes.

- (ii) If the Issuer would, on the next payment of interest in respect of the Notes, be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 9 (*Taxation*) (a “**Gross-Up Event**”), then, the Issuer may, at its option (but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below) upon giving not less than seven (7) days' prior notice to the Noteholders (in accordance with Condition 14 (*Notices*)) (which notice shall be irrevocable) and the Principal Paying Agent, redeem all but not some only of the then outstanding Notes at their Prevailing Principal Amount, together with any interest accrued to the date fixed for redemption at any time, 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 such Notes or, if that date is passed, as soon as practicable thereafter.
- (iii) If by reason of any change in the French laws or regulations, or any change in the application or official interpretation of such laws or regulations, or any other change in the tax treatment of the Notes which is required by law or which is requested in writing by a competent tax authority, becoming effective on or after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer that is tax-deductible by the Issuer being reduced (a “**Tax Deduction Event**”), the Issuer may, at its option, subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below, on any Interest Payment Date, subject to having given no less than thirty (30) nor more than forty-five (45) days' notice to the Principal Paying Agent and the Noteholders (in accordance with Condition 14 (*Notices*)) (which notice shall be irrevocable) redeem all, but not in part, of the then outstanding Notes at the Prevailing Principal Amount together with any interest accrued to the date fixed for redemption (if any) thereon, , 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 such payment with interest payable not being impacted by the reduction in tax deductibility giving rise to the Tax Deductibility Event.

The Issuer will not give notice under this Condition 7.4 unless it has demonstrated to the satisfaction of the Relevant Regulator that the change referred to in paragraphs (i), (ii) and (iii) above is material and was not reasonably foreseeable at the time of issuance of the Notes.

- 7.5 *Optional Redemption upon the occurrence of a MREL/TLAC Disqualification Event*: Upon the occurrence of an MREL/TLAC Disqualification Event, the Issuer may, at its option, at any time and having given no less than thirty (30) nor more than forty-five (45) days' notice to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem all (but not some only) of the then outstanding Notes at their Prevailing Principal Amount together with any accrued interest (if any) thereon subject to such redemption being permitted by the Applicable MREL/TLAC Regulations and subject to the prior permission of the Relevant Regulator and/or the Relevant Resolution Authority if required.
- 7.6 *Purchase*: The Issuer shall have the right at all times on or after the fifth (5th) anniversary of the Issue Date (but subject to the provisions of Condition 7.8 (*Conditions to Redemption and Purchase*) below) to purchase Notes in the open market or otherwise at any price in accordance with applicable laws and regulations.

Notwithstanding the above, the Issuer or any agent on its behalf shall have the right at all times to purchase the Notes for market making purposes provided that: (a) the prior written permission of the Relevant Regulator shall be obtained; and (b) the total principal amount of the Notes issued under the Programme so

purchased does not exceed the lower of (x) 10% of the initial aggregate principal amount of the Notes and such any further notes issued under Condition 13 (*Further Issues*), or (y) 3% of the Tier 2 Capital of the Issuer from time to time outstanding. The Notes so purchased by or on behalf of the Issuer may be held and resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Notes.

7.7 *Cancellation*: All Notes which are redeemed or purchased by the Issuer to be cancelled will forthwith be cancelled and accordingly may not be re-issued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7.8 *Conditions to Redemption and Purchase*: The Notes may only be redeemed or purchased if the Relevant Regulator has given its prior written permission to such redemption, purchase or cancellation (as applicable) and the other conditions required by Article 78 of the CRR (as they may be amended or replaced from time to time and as applicable on the date of such redemption or purchase) are met, it being understood that any refusal by the Relevant Regulator to give its prior written permission shall not constitute a default for any purpose.

(a) As at the Issue Date, the following conditions are required by Article 78 of the CRR:

- (i) before or at the same time as such redemption or purchase (as applicable) of the Notes, the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or
- (ii) the Issuer has demonstrated to the satisfaction of the Relevant Regulator that its own funds and eligible liabilities would, following such redemption or purchase (as applicable), exceed its minimum capital requirements (including any applicable capital buffer requirements) laid down in the CRD IV Rules and the BRRD by a margin that the Relevant Regulator and/or the Relevant Resolution Authority, if required, considers necessary; and

(b) In the case of redemption before the fifth (5th) anniversary of the Issue Date, if:

- (i) the conditions listed in paragraphs (a)(i) or (a)(ii) above are met; and
- (ii)

I in the case of redemption due to the occurrence of a Capital Event, (x) the Relevant Regulator considers such change to be sufficiently certain, (y) the Issuer demonstrates to the satisfaction of the Relevant Regulator that the Capital Event was not reasonably foreseeable at the time of issuance of the Notes and (z) the Issuer has delivered a certificate to the Principal Paying Agent (and copies thereof will be available at the Principal Paying Agent's specified office during its normal business hours) not less than five (5) days prior to the date set for redemption that such Capital Event has occurred or will occur no more than ninety (90) days following the date fixed for redemption, as the case may be; or

II in the case of redemption due to the occurrence of a Tax Event, (x) the Issuer demonstrates to the satisfaction of the Relevant Regulator that such Tax Event is material and was not reasonably foreseeable at the time of issuance of the Notes, (y) the Issuer has delivered a certificate to the Principal Paying Agent (and copies thereof will be available at the Principal Paying Agent's specified office during its normal business hours) not less than five (5) days prior to the date set for redemption that such Tax Event has occurred or will occur no more than ninety (90) days following the date fixed for redemption, as the case may be; or

- III the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and the Relevant Regulator has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
- IV the Notes are repurchased for market making purposes. Any purchase for market making purposes is further subject to the conditions set out in Article 29 of the CDR, in particular with respect to the predetermined amount authorized by the Relevant Regulator.

7.9 *Determination of Trigger Event supersedes notice of redemption*: If the Issuer has given a notice of redemption of the Notes pursuant to Condition 7.2 (*Redemption at the Option of the Issuer*), Condition 7.3 (*Optional Redemption upon the occurrence of a Capital Event*) or Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*) and, after giving such notice but prior to the relevant redemption date, the Issuer determines that a Trigger Event has occurred, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, the Notes will not be redeemed on the scheduled redemption date and, instead, a Write-Down shall occur in respect of the Notes as described under Condition 6 (*Write-Down*). The Issuer shall give notice thereof to the Noteholders and the Principal Paying Agent in accordance with Condition 14 (*Notices*), as soon as possible following any such automatic rescission of a notice of redemption. Following the Write-Down Date, the Issuer may give a new notice of redemption pursuant to Condition 7.2 (*Redemption at the Option of the Issuer*), Condition 7.3 (*Optional Redemption upon the occurrence of a Capital Event*) or Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*).

8 Payments

- 8.1 *Method of Payment*: Payments of principal and interest in respect of the Notes shall be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the Noteholders. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.
- 8.2 *Payments on business days*: If the due date for payment of any amount in respect of any Note is not a Business Day, the Noteholder shall not be entitled to payment of the amount due until the next succeeding Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.
- 8.3 *Fiscal Agent, Paying Agent and Calculation Agent*: The names of the initial Agents and their specified offices are set out below:

Fiscal Agent, Principal Paying Agent and Calculation Agent
 BNP Paribas Securities Services
 (affiliated with Euroclear France under number 30)
 Les Grands Moulins de Pantin
 9, rue du Debarcadère
 93500 Pantin
 France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Principal Paying Agent, Paying Agent or Calculation Agent and/or appoint additional or other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be a Fiscal Agent, a Principal Paying Agent and a Calculation Agent having a specified office in a European city. Notice of any such change or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 14 (*Notices*) and, so long as the Notes are admitted to trading on Euronext Paris and if the rules applicable to such stock exchange so require, to such stock exchange.

- 8.4 *Waiver of set-off*: No Noteholder may at any time exercise or claim any Waived Set-Off Rights (as defined below) against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort or any non-contractual obligations, in each case whether or not relating to such Note) and each such Noteholder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition 8.4 is intended to provide or shall be construed as acknowledging any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder but for this Condition 8.4.

For the purposes of this Condition 8.4, “**Waived Set-Off Rights**” means any and all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any such Note.

9 Taxation

- 9.1 *Withholding taxes*: All payments of principal, interest and other assimilated revenues by or on behalf of the Issuer in respect of the Notes as the case may be 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.
- 9.2 *Gross up*: If French law should require that payments of interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes, duties assessments or governmental charges of whatever nature imposed, levied, collected, withheld or levied by or on behalf of the Republic of France, 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, except that no such additional amounts shall be payable with respect to 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 the Republic of France other than the mere holding of the Note.
- 9.3 *FATCA*: Notwithstanding any other provision of the Conditions, all payments of interest by or on behalf of the Issuer in respect of the Notes, shall be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**U.S. Internal Revenue Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

For the avoidance of doubt, no additional amounts shall be payable by the Issuer in respect of payments of principal under the Notes.

10 Prescription

Claims against the Issuer for payment of principal 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 due date thereof.

11 No Event of Default

There is no event of default under the Notes which would lead to an acceleration of such Notes if certain events occur.

However, if any judgment were issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer were liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency), then the Notes would become immediately due and payable.

12 Meeting and voting provisions

12.1 *General*: The Noteholders will be grouped automatically for the defence of their common interests in a *masse* (in each case, the “*Masse*”) which will be subject to the provisions of this Condition.

The *Masse* will be governed by the provisions of the French *Code de commerce* with the exception of Articles L.228-65 I, 4° and II, L.228-71, R.228-61, R.228-63, R.228-69, R.228-72, R.228-76, R.228-79 and R.236-11, and further subject to the following provisions:

12.1.1 Legal Personality

The *Masse* will be a separate legal entity and will act in part through a representative (the “**Representative**”) and in part through a general meeting of the Noteholders (the “**General Meeting**”).

12.1.2 Representative of the Masse

Pursuant to Article L.228-51 of the French *Code de commerce*, the names and addresses of the initial Representative and its alternate shall be:

Initial Representative:

MCM AVOCAT
Selarl d’avocats interbarreaux inscrite au Barreau de Paris
10, rue de Sèze
75009 Paris
France
represented by Maître Antoine Lachenaud, Co gérant – associé

Alternate Representative:

Maître Philippe Maisonneuve, Avocat
10, rue de Sèze
75009 Paris
France

The Representative appointed in respect of the Notes will be the Representative of the single *Masse* of all other notes issued pursuant to Condition 13 (*Further Issues*).

The Representative will receive a remuneration of EUR 2,000 (excluding VAT) per year so long as any of the Notes remains outstanding.

In the event of death, liquidation, retirement, dissolution or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, liquidation, retirement, dissolution or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Principal Paying Agent.

12.1.3 Powers of the Representative

The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

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

The Representative may not interfere in the management of the affairs of the Issuer.

12.1.4 General Meetings

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 0:00, Paris time, on the second (2nd) business day in Paris preceding the date set for the meeting of the relevant General Meeting.

In accordance with Articles L.228-59 and R.228-67 of the French *Code de commerce*, notice of date, hour, place and agenda of any General Meeting will be published as provided under Condition 14 (*Notices*) not less than fifteen (15) days prior to the date of such General Meeting on first convocation, and five (5) days on second convocation.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, by correspondence and, in accordance with Article L.228-61 of the French *Code de commerce*, by videoconference or by any other means of telecommunication allowing the identification of participating Noteholders, as provided *mutatis mutandis* by Article R.225-97 of the French *Code de commerce*. Each Note carries the right to one vote.

Decisions relating to General Meetings and Written Resolutions will be published in accordance with the provisions set forth in Condition 14 (*Notices*). Furthermore, (i) the decision of a General Meeting to appoint a Representative, (ii) the decision of the Issuer to override the refusal of the General Meeting to approve the proposal to change the objects or corporate form of the Issuer pursuant to Article L.228-65, I, 1° of the French *Code de commerce* or (iii) the decision of the Issuer to offer to redeem Notes on demand in the case of a merger or demerger of the Issuer pursuant to Articles L.236-13 and L.236-18 of the French *Code de commerce*, will be published in accordance with the provisions set forth in Condition 14 (*Notices*).

12.1.5 Powers of the General Meetings

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the liabilities (*charges*) of Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth (1/5th) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Noteholders attending such General Meetings or represented thereat.

12.1.6 *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**”).

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 14 (*Notices*) not less than five (5) days prior to the date fixed for the passing of such Written Resolution (the “**Written Resolution Date**”). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders expressing their approval or rejection before the Written Resolution Date will irrevocably undertake not to dispose of their Notes until after the Written Resolution Date.

For the purpose hereof, a “**Written Resolution**” means a resolution in writing signed by the Noteholders of not less than 85 percent. in nominal amount of the Notes outstanding.

- 12.2 *Information to Noteholders:* Each Noteholder will have the right, during (i) the fifteen (15)-day period preceding the holding of each General Meeting on first convocation or (ii) the five (5)-day period preceding the holding of such General Meeting on second convocation or, in the case of a Written Resolution, the Written Resolution Date, as the case may be, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be prepared in connection with such resolution, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Principal Paying Agent and at any other place specified in the notice of the General Meeting or the Written Resolution.
- 12.3 *Expenses:* The Issuer will pay all expenses relating to the operation of the *Masse*, including expenses relating to the calling and holding of General Meetings and seeking the approval of a Written Resolution, expenses of the Representative of the *Masse* in the performance of its duties, as the case may be, and, more generally, all administrative expenses resolved upon by the General Meeting or in writing by the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.
- 12.4 *Single Masse:* The Noteholders and the holders of Notes of any other notes which have been assimilated with the Notes in accordance with Condition 13 (*Further Issues*), shall, for the defence of their respective common interests, be grouped in a single *Masse*. The Representative appointed in respect of the Notes will be the Representative of the single *Masse* of all such notes.
- 12.5 *One Noteholder:* If and for so long as the Notes are held by a single Noteholder, the provisions of this Condition will not apply. Such sole Noteholder shall hold a register of the decisions it will have taken in this

capacity, shall provide copies of such decisions to the Issuer and shall make them available, upon request, to any subsequent holder of all or part of the Notes.

13 Further Issues

Subject to prior consultation with the Relevant Regulator, the Issuer may from time to time without the consent of the Noteholders issue further notes, such further notes forming a single series with the Notes so that such further notes and the Notes carry rights identical in all respects (or in all respects save for their issue date, interest commencement date, issue price and/or the amount and date of the first payment of interest thereon). Such further notes shall be assimilated (*assimilables*) to the Notes as regards their financial service provided that the terms of such further notes provide for such assimilation.

14 Notices

- 14.1 Notices to the Noteholders shall be valid if, at the option of the Issuer, they are published so long as such Notes are 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 daily leading newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or (c) following Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the AMF.
- 14.2 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.
- 14.3 Notices required to be given to the Noteholders 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 as required by Conditions 14.1 and 14.2 above;
- 14.3.1 except that notices will be published (a) so long as such Notes are admitted to trading on Euronext Paris, in a leading daily newspaper of general circulation in France (which is expected to be *Les Echos*), or (b) following Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the AMF, and
- 14.3.2 notices relating to the convocation and decision(s) of the General Meetings and Written Resolutions pursuant to Condition 12 (*Meeting and voting provisions*) shall also be published (a) on the website of the Issuer, and (b) so long as such Notes are admitted to trading on Euronext Paris and the rules of such Regulated Market so permit, on the website of the AMF or Euronext Paris, or (c) in a leading newspaper of general circulation in Europe.

15 Recognition of Bail-in and Loss Absorption

- 15.1 *Acknowledgement*: By its acquisition of the Notes, each Noteholder (which, for the purposes of this Condition 15, includes any current or future holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:
- (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below), which may include and result in any of the following, or some combination thereof:
- I the reduction of all, or a portion, of the Amounts Due (as defined below);
- II the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of

the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

III the cancellation of the Notes; and/or;

IV the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;

(b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

For these purposes, the “**Amounts Due**” are the Prevailing Principal Amount of the Notes, and any accrued and unpaid interest on the Notes that has not been previously cancelled or otherwise is no longer due.

15.2 *Bail-in or Loss Absorption Power*

For these purposes, the “**Bail-in or Loss Absorption Power**” is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of BRRD, including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691), Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No. 1093/2010 (as amended from time to time, including by Regulation (EU) No. 2019/877 dated 20 May 2019, the “**Single Resolution Mechanism Regulation**”), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution.

A reference to a “**Regulated Entity**” is to any entity referred to in Section I of Article L.613-34 of the French *Code monétaire et financier*, as amended, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the “**Relevant Resolution Authority**” is to the *Autorité de contrôle prudentiel et de résolution*, the single resolution board (the “**Single Resolution Board**”) established by the Single Resolution Mechanism Regulation and/or any other authority entitled to exercise or participate in the exercise of the bail in power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

15.3 *Payment of Interest and Other Outstanding Amounts Due*: No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in France and the European Union applicable to the Issuer or other members of its group.

- 15.4 *No Event of Default*: Neither a cancellation of the Notes, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Notes will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholder to any remedies (including equitable remedies) which are hereby expressly waived.
- 15.5 *Notice to Noteholders*: Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will give notice to the Noteholders in accordance with Condition 14 (*Notices*) as soon as practicable regarding such exercise of the Bail-in or Loss Absorption Power. The Issuer will also deliver a copy of such notice to the Principal Paying Agent for information purposes, although the Principal Paying Agent shall not be required to send such notice to Noteholders. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-in or Loss Absorption Power nor the effects on the Notes described in Condition 15.1 above.
- 15.6 *Duties of the Principal Paying Agent*
- Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority, the Issuer and each Noteholder (including each holder of a beneficial interest in the Notes) hereby agree that (a) the Principal Paying Agent shall not be required to take any directions from Noteholders, and (b) the Agency Agreement shall impose no duties upon the Principal Paying Agent whatsoever, in each case with respect to the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority.
- Notwithstanding the foregoing, if, following the completion of the exercise of the Bail-In or Loss Absorption Power by the Relevant Resolution Authority, any Notes remain outstanding (for example, if the exercise of the Bail-In or Loss Absorption Power results in only a partial write-down of the principal of the Notes), then the Principal Paying Agent's duties under the Agency Agreement shall remain applicable with respect to the Notes following such completion to the extent that the Issuer and the Principal Paying Agent shall agree pursuant to an amendment to the Agency Agreement.
- 15.7 *Pro-rata*: If the Relevant Resolution Authority exercises the Bail-in or Loss Absorption Power with respect to less than the total Amounts Due, unless the Principal Paying Agent is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Bail-in or Loss Absorption Power will be made on a pro-rata basis.
- 15.8 *Conditions Exhaustive*: The matters set forth in this Condition 15 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any Noteholder.

16 Modification

Any modification (other than as provided in Condition 5.8 (*5-Year Mid-Swap Rate Discontinuation*)) of the Conditions may only be made to the extent the Issuer has obtained the prior approval of the Relevant Regulator.

17 Governing Law and Jurisdiction

- 17.1 *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.
- 17.2 *Jurisdiction*: Any claim against the Issuer in connection with any Notes may be brought before any competent court in Paris.

TERMS AND CONDITIONS OF THE 2046 NOTES

The terms and conditions of the 2046 Notes will be as follows:

1 Introduction

The issue of the EUR850,000,000 Fixed Resetable Subordinated Contingent Tier 2 Notes (the “**Notes**” or the “**2046 Notes**”) of BPCE, a French *société anonyme* (the “**Issuer**”) has been authorised by a resolution of the *Directoire* of the Issuer dated 15 March 2021. The Notes will be issued as Tranche 1 of Series 2021-14 under the Issuer’s Euro 40,000,000,000 Euro Medium Term Note Programme (the “**Programme**”).

The Issuer has entered into an agency agreement dated 20 November 2020 in connection with the Programme, (the “**Agency Agreement**”) with BNP Paribas Securities Services as fiscal agent, principal paying agent and calculation agent. The fiscal agent and principal paying agent, the calculation agent and the paying agent for the time being are respectively referred to in these Conditions as the “**Fiscal Agent**”, the “**Principal Paying Agent**”, the “**Calculation Agent**” and the “**Paying Agent**” (which expression shall include the Principal Paying Agent), each of which expression shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement, and are collectively referred to as the “**Agents**”. Copies of the Agency Agreement are available for inspection at the specified offices of the Paying Agent.

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

References below to “**day**” or “**days**” are to calendar days unless the context otherwise specifies.

2 Interpretation

2.1 *Definitions:* In these Conditions the following expressions have the following meanings:

“**30/360**” means, 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:

“Y1” is the year, expressed as a number, in which the first day of the calculation period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the calculation period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the calculation period falls;

“M2” is the calendar month, expressed as number, in which the day immediately following the last day included in the calculation period falls;

“D1” is the first day, expressed as a number, of the calculation period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the day, expressed as a number, immediately following the last day included in the calculation period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

“**5-Year Mid-Swap Rate**” means, in relation to a Reset Period and the Reset Rate of Interest Determination Date in relation to such Reset Period:

- (a) the mid-swap rate for euro swaps with a term of 5 years which appears on the Screen Pages as of 11:00 a.m. (Central European time) on such Reset Rate of Interest Determination Date; or

- (b) if such rate does not appear on the Screen Page as of such time on such Reset Rate of Interest Determination Date, except as provided in Condition 5.8 (*5-Year Mid-Swap Rate Discontinuation*), the Reset Reference Bank Rate on such Reset Rate of Interest Determination Date;

“5-Year Mid-Swap Rate Quotations” means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap transaction which:

- (a) has a term of 5 years commencing on the relevant Reset Date;
- (b) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market; and
- (c) has a floating leg (calculated on an Actual/360 day count basis) based on six-month EURIBOR;

“Account Holders” shall have the meaning attributed thereto in Condition 3 (*Form, Denomination and Title*);

“Actual/360” means the actual number of days in the relevant period divided by 360;

“Adjustment Spread” means either a spread (which may be positive or negative), or the formula or the methodology for calculating a spread, in either case, which the Independent Adviser determines and which is required to be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, as the case may be, to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit, as the case may be, to Noteholders as a result of the replacement of the 5-Year Mid-Swap Rate with the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, as the case may be, and is the spread, formula or methodology which:

- (i) in the case of a Successor Mid-Swap Rate, is formally recommended in relation to the replacement of the 5-Year Mid-Swap Rate with the Successor Mid-Swap Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Mid-Swap Rate);
- (ii) the Independent Adviser determines is customarily applied to the relevant Successor Mid-Swap Rate or the Alternative Mid-Swap Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the 5-Year Mid-Swap Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
- (iii) the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the 5-Year Mid-Swap Rate, where such rate has been replaced by the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, as the case may be; or
- (iv) the Independent Adviser determines to be appropriate.

“Alternative Mid-Swap Rate” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5.8(b) and which is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for a determined interest period in euro;

“Agency Agreement” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“Applicable Banking Regulations” means at any time the laws, regulations, requirements, guidelines and policies of the Relevant Regulator relating to capital adequacy and then in effect in France including, without limitation to the generality of the foregoing, those regulations, requirements, guidelines and policies relating to capital adequacy then in effect of, and as applied by, the Relevant Regulator;

“Applicable MREL/TLAC Regulations” means, at any time, the laws, regulations, requirements, guidelines and policies giving effect to (i) MREL and (ii) the principles set forth in the FSB TLAC Term Sheet or any successor principles. If there are separate laws, regulations, requirements, guidelines and policies giving effect to the principles described in (i) and (ii), then “Applicable MREL/TLAC Regulations” means all such regulations, requirements, guidelines and policies;

“Bail-in or Loss Absorption Power” has the meaning set forth in Condition 15 (*Recognition of Bail-in and Loss Absorption*);

“Banques Populaires” means the 14 members of the *Banques Populaires* network (made up of 12 regional banks, CASDEN Banque Populaire and Crédit Coopératif);

“Benchmark Amendments” has the meaning given to it in Condition 5.8(b);

“Benchmark Event” means, in relation to 5-Year Mid-Swap Rate (or component part thereof), any of the following:

- (i) the 5-Year Mid-Swap Rate (or component part thereof) ceasing to be published for a period of at least five (5) Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the 5-Year Mid-Swap Rate (or component part thereof) that it has ceased or that it will cease publishing the 5-Year Mid-Swap Rate (or component part thereof) permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the 5-Year Mid-Swap Rate (or component part thereof)); or
- (iii) a public statement by the supervisor of the administrator of the 5-Year Mid-Swap Rate (or component part thereof), that the 5-Year Mid-Swap Rate (or component part thereof) has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the 5-Year Mid-Swap Rate as a consequence of which the 5-Year Mid-Swap Rate will be prohibited from being used either generally, or in respect of the Notes;
- (v) the making of a public statement by the supervisor of the administrator of the 5-Year Mid-Swap Rate that the 5-Year Mid-Swap Rate (or component part thereof), in the opinion of the supervisor, is no longer representative of an underlying market or that its method calculation has significantly changes; or
- (vi) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the 5-Year Mid-Swap Rate (or component part thereof);

provided that in the case of sub-paragraphs (ii), (iii) and (iv), the Benchmark Event shall occur on the date of the cessation of publication of the 5-Year Mid-Swap Rate (or component part thereof), the discontinuation of the 5-Year Mid-Swap Rate (or component part thereof), or the prohibition of use of the 5-Year Mid-Swap Rate (or component part thereof), as the case may be, and not the date of the relevant public statement.

“BRRD” means the Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms as published in the Official Journal of the European Union on 12 June 2014, as amended by the Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC, as amended or replaced from time to time or, as the case may be, any implementation provision under French law;

“**Business Day**” means a day (other than a Saturday or a Sunday) on which (i) Euroclear France is open for business, (ii) the TARGET System is operating and (iii) commercial banks and foreign exchange markets are open for general business in France;

“**Calculation Agent**” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“**Capital Event**” means a change in the regulatory classification of the Notes, that was not reasonably foreseeable by the Issuer at the Issue Date, as a result of which the Notes would be fully excluded from Tier 2 Capital;

“**Caisses d’Epargne**” means the 15 Caisses d’Epargne et de Prévoyance;

“**CDR**” means the Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014 supplementing the CRR with regard to regulatory technical standards for own funds requirements for institutions, as amended from time to time;

“**Clearstream**” shall have the meaning attributed thereto in Condition 3 (*Form, Denomination and Title*);

“**Code**” shall have the meaning attributed thereto in Condition 8 (*Payments*);

“**CRD IV**” means the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as published in the Official Journal of the European Union on 27 June 2013, as amended from time to time or such other directive as may come into effect in place thereof (including by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures);

“**CRD IV Implementing Measures**” means any regulatory capital rules implementing the CRD IV or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Relevant Regulator, which are applicable to the Issuer and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital of the Issuer;

“**CRD IV Rules**” means any or any combination of the CRD IV, the CRR and any CRD IV Implementing Measures;

“**CRR**” means the Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013, on prudential requirements for credit institutions and investment firms, as published in the Official Journal of the European Union on 27 June 2013, as amended from time to time or such other regulation as may come into effect in place thereof (including by Regulation (EU) No. 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012);

“**Day Count Fraction**” means the number of days in the relevant period from (and including) the date from which interest begins to accrue to (but excluding) the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last);

“**Electronic Consent**” shall have the meaning attributed thereto in Condition 12 (*Meeting and voting provisions*);

“**Euroclear**” shall have the meaning attributed thereto in Condition 3 (*Form, Denomination and Title*);

“Euroclear France” shall have the meaning attributed thereto in Condition 3 (*Form, Denomination and Title*);

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

“First Reset Date” means 13 October 2031;

“Fixed Rate” means 2.125 per cent. *per annum*, provided that upon the occurrence of a Rating Methodology Event the rate shall be reduced by 25 basis points to 1.875 per cent. *per annum* as from the following Interest Payment Date;

“FSB TLAC Term Sheet” means the Total Loss Absorbing Capacity (TLAC) term sheet set forth in the document dated 9 November 2015 published by the Financial Stability Board, entitled “Principles on Loss-absorbing and Recapitalisation Capacity of G-SIBs in Resolution,” as amended from time to time;

“General Meeting” shall have the meaning attributed thereto in Condition 12 (*Meeting and voting provisions*);

“Gross-Up Event” shall have the meaning attributed thereto in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*);

“Groupe BPCE” means Groupe BPCE SA, the Banques Populaires, the Caisses d’Epargne and certain affiliated entities;

“Groupe BPCE Net Income” means the consolidated net income after the Issuer has taken a formal decision confirming the final amount thereof;

“Groupe BPCE’s CET1 Capital Ratio” means the Groupe BPCE’s Common Equity Tier 1 capital ratio pursuant to Article 92(1)(a) of the CRR calculated in accordance with Article 92(2)(a) of the CRR;

“Groupe BPCE SA” means the Issuer and its consolidated subsidiaries and associates;

“Higher Trigger Loss Absorbing Instruments” obligations or capital instruments which include a principal loss absorption mechanism that is capable of generating CET1 Capital of Groupe BPCE and that is activated by an event equivalent to the Trigger Event in all material respects except that the threshold for activation of such principal loss absorption is set at a Groupe BPCE’s CET1 Capital Ratio higher than 7.00 per cent.;

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5.8(a);

“Interest Payment Date” means 13 October in each year commencing on 13 October 2022 to (and including) the Maturity Date;

“Interest Period” means the period beginning on (and including) the Issue 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;

“Issue Date” means 13 October 2021;

“Issuer” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“Margin” means 2.050 per cent., provided that upon occurrence of a Rating Methodology Event prior to the First Reset Date, the Margin shall be reduced by 25 basis points to 1.800 per cent. as from the following Interest Payment Date;

“Maturity Date” means, unless previously redeemed or purchased and cancelled, 13 October 2046 if the Conditions to Redemption and Purchase are satisfied and otherwise as soon thereafter as the Conditions to Redemption and Purchase are so satisfied;

“**Masse**” shall have the meaning attributed thereto in Condition 12 (*Meeting and voting provisions*);

“**MREL**” means the “minimum requirement for own funds and eligible liabilities” for banking institutions under the BRRD, as set in accordance with Article 45 of the BRRD, Article 12 of the Single Resolution Mechanism Regulation and Commission Delegated Regulation (EU) No. 2016/1450 of 23 May 2016, or any successor requirement under the Applicable MREL/TLAC Regulations and the Applicable Banking Regulations;

“**MREL/TLAC Disqualification Event**” means at any time that all or part of the outstanding nominal amount of the Notes does not fully qualify as MREL/TLAC-Eligible Instruments, except where such non-qualification was reasonably foreseeable by the Issuer at the Issue Date or is due to the remaining maturity of the Notes being less than any period prescribed by the Applicable MREL/TLAC Regulations;

“**MREL/TLAC-Eligible Instrument**” means an instrument that is eligible to be counted towards the MREL of the Issuer and that constitutes a TLAC-eligible instrument of the Issuer (within the meaning of the FSB TLAC Term Sheet), in each case in accordance with Applicable MREL/TLAC Regulations;

“**Notes**” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“**Noteholders**” means holders of the Notes;

“**Optional Redemption Date**” means any date falling in the period commencing on (and including) 13 July 2031 and ending on (and including) the First Reset Date and every Interest Payment Date thereafter;

“**Ordinarily Subordinated Obligations**” means any present or future subordinated obligations of the Issuer, whether in the form of notes or loans or otherwise, which rank, or are expressed to rank, *pari passu* among themselves, and are direct, unconditional, unsecured and subordinated obligations of the Issuer but in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits “super subordonnés”* or *engagements subordonnés de dernier rang*);

“**Original Principal Amount**” means the notional amount of the Notes as of the Issue Date;

“**outstanding**” means all the Notes issued other than (a) those that have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid to the relevant Account Holders on behalf of the Noteholder as provided in Condition 8 (*Payments*), (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions; provided that, for the purposes of ascertaining the right to (x) attend and vote at any General Meeting and (y) to approve any Written Resolution, those Notes that are held by, or are held on behalf of, the Issuer or any of its subsidiaries and not cancelled shall (unless and until ceasing to be so held) be deemed not to be outstanding.

“**Paying Agents**” and “**Principal Paying Agent**” shall have the meaning attributed thereto in Condition 1 (*Introduction*);

“**Prevailing Principal Amount**” means the Principal Amount as may be reduced from time to time by a Write-Down;

“**Principal Amount**” means in respect of each Note, EUR200,000 being the principal amount of each Note on the Issue Date;

“**Rating Methodology Event**” means a change in methodology of S&P Global Ratings Europe Limited (“**S&P**”) (or in the interpretation of such methodology) that was not reasonably foreseeable by the Issuer at the Issue Date as a result of which the equity content assigned by S&P to the Notes is, in the reasonable

opinion of the Issuer, materially reduced when compared to the equity content assigned by S&P to the Notes on the Issue Date or, if later, on the date on which such equity content was first assigned to the Notes;

“Reference Date” means the accounting date at which the applicable Relevant Groupe BPCE Net Income was determined;

“Regulated Market” means a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU), as amended or replaced from time to time;

“Relevant Nominating Body” means:

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

“Relevant Regulator” means the European Central Bank and any successor or replacement thereto, or other authority including, but not limited to any resolution authority having primary responsibility for the prudential oversight and supervision of the Issuer and/or the application of the Applicable Banking Regulations to the Issuer and the Groupe BPCE;

“Relevant Resolution Authority” has the meaning set forth in Condition 15 (*Recognition of Bail-in and Loss Absorption*);

“Representative” shall have the meaning attributed thereto in Condition 13 (*Meeting and voting provisions*);

“Reset Date” means the First Reset Date and every Interest Payment Date which falls five (5), or a multiple of five (5), years after the First Reset Date;

“Reset Period” means each period from (and including) a Reset Date to (but excluding) (i) with respect to a Reset Period other than the last Reset Period, the next succeeding Reset Date, and (ii) with respect to the last Reset Period, the date on which the Notes are finally redeemed;

“Reset Rate of Interest” means the sum of (a) the 5-Year Mid-Swap Rate plus (b) the Margin, except that if the sum of (a) the 5-Year Mid-Swap Rate plus (b) the Margin is less than zero, the Reset Rate of Interest will be deemed to be equal to zero;

“Reset Rate of Interest Determination Date” means, in relation to a Reset Period, the day falling two (2) Business Days prior to the Reset Date on which such Reset Period commences;

“Reset Reference Bank Rate” means the rate determined on the basis of the 5-Year Mid-Swap Rate Quotations provided by the Reset Reference Banks to the Calculation Agent at approximately 11:00 a.m. (Central European time) on the Reset Rate of Interest Determination Date. If at least four (4) quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two (2) quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean (rounded as aforesaid) of the quotations provided. If only one (1) quotation is provided, the Reset Reference Bank Rate will be the quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be the last observable mid-swap rate of euro swaps with a term of 5 years which appears on the Screen Page, as determined by the Calculation Agent except that if the Calculation Agent determines that

the absence of quotations is due to the occurrence of a Benchmark Event, then the 5-Year Mid-Swap Rate (or component part thereof) will be determined in accordance with Condition 5.8 (*5-Year Mid-Swap Rate Discontinuation*);

“Reset Reference Banks” means four (4) leading swap dealers in the Euro-zone interbank market selected by the Calculation Agent;

“Senior Obligations” means all unsecured and unsubordinated obligations of the Issuer, and all other obligations expressed to rank senior to the Notes and to Ordinarily Subordinated Obligations or any other obligation expressed to rank junior to Senior Obligations, as provided by their terms or by law;

“Screen Page” means Reuters screen “ICESWAP2”, or such other page as may replace it on Reuters or, as the case may be, on such other equivalent information service that may replace Reuters, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying equivalent or comparable rates to the 5-Year Mid-Swap Rate;

“Successor Mid-Swap Rate” means a successor to or replacement of the 5-Year Mid-Swap Rate (or component part thereof) which is formally recommended by any Relevant Nominating Body. If, following a Benchmark Event, more than one successor or replacement rates are recommended by any Relevant Nominating Body, the Independent Adviser shall determine which of those successor or replacement rates is the most appropriate, taking into consideration, without limitation, the particular features of the Notes and the nature of the Issuer;

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto;

“Tax Deduction Event” shall have the meaning attributed thereto in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*);

“Tax Event” means a Tax Deduction Event, a Withholding Tax Event or a Gross-Up Event;

“Tier 1 Capital” means capital which is treated by the Relevant Regulator as a constituent of tier 1 under Applicable Banking Regulations from time to time for the purposes of the Issuer;

“Tier 2 Capital” means capital which is treated by the Relevant Regulator as a constituent of tier 2 under Applicable Banking Regulations from time to time for the purposes of the Issuer;

“Trigger Event” shall occur if, at any time, the Groupe BPCE’s CET1 Capital Ratio is less than the Trigger Level unless a Rating Methodology Event has occurred and has been notified by the Issuer to the Noteholders prior to the First Reset Date in which case there shall be no Trigger Event;

“Trigger Level” means 7.000 per cent.;

“Withholding Tax Event” shall have the meaning attributed thereto in Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*);

“Write-Down” or **“Written Down”** shall have the meaning attributed thereto in Condition 6.1 (*Write-Down*);

“Write-Down Amount” is the amount of the Write-Down of the Prevailing Principal Amount of the Notes on the Write-Down Date, which amount shall be equal to 25% of the Prevailing Principal Amount;

“Write-Down Date” means the date on which the Notes will be written down, being no later than one (1) month after the occurrence of a Trigger Event pursuant to Condition 6 (*Write-Down*), or any earlier date as selected by the Issuer or as instructed by the Relevant Regulator, and as specified in the Write-Down Notice;

“**Write-Down Notice**” means a notice which specifies (i) that a Trigger Event has occurred, (ii) the Write-Down Amount and (iii) the Write-Down Date. Any such notice shall be accompanied by a certificate signed by two Directors of the Issuer stating that the Trigger Event has occurred; and

“**Written Resolution**” shall have the meaning attributed thereto in Condition 12 (*Meeting and voting provisions*).

2.2 Interpretation: In these Conditions:

- (i) any reference to principal shall be deemed to include the Prevailing Principal Amount and any other amount in the nature of principal payable pursuant to these Conditions; and
- (ii) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 9 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions.

3 Form, Denomination and Title

The Notes will be issued on 13 October 2021 (the “**Issue Date**”) in dematerialised bearer form (*au porteur*) in the denomination of EUR200,000 each. The Notes will at all times be represented in book-entry form (*inscription en compte*) in the books of the Account Holders in compliance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier*. 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 will, upon issue, be inscribed in the books of Euroclear France (acting as central depository) (“**Euroclear France**”), which shall credit the accounts of the Account Holders.

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

Title to the Notes shall pass upon, and transfer of the Notes may only be effected through, registration of the transfer in the accounts of Account Holders.

4 Status of the Notes

The Notes are subordinated notes of the Issuer issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce* and are subordinated instruments as provided for in Article L.613-30-3-I-5° of the *Code monétaire et financier*.

It is the intention of the Issuer that the Notes shall, for regulatory purposes, be treated as Tier 2 Capital. Condition 4.1 below will apply in respect of the Notes for so long as such Notes are treated for regulatory purposes as Tier 2 Capital (such Notes being hereafter referred to as “**Qualifying Subordinated Notes**”). Should any outstanding Notes be fully excluded from Tier 2 Capital (“**Disqualification Event**”) (Notes affected by a Disqualification Event being hereafter referred to as “**Disqualified Subordinated Notes**”), Condition 4.2 will automatically apply to such Disqualified Subordinated Notes in lieu of Condition 4.1 without the need for any action from the Issuer and without consultation of the Noteholders or the holders of any other notes of the Issuer outstanding at such time.

4.1 Status of Qualifying Subordinated Notes

If and for so long as the Notes are Qualifying Subordinated Notes, principal and interest thereon constitute and will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking *pari passu* without any preference among themselves and *pari passu* with all other present or future subordinated instruments that are, or have been before 28 December 2020 (in the case of instruments issued before that date), fully or partially recognised as Tier 2 Capital of the Issuer, in accordance with Article L.613-30-3-I-5° of the *Code monétaire et financier*.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Qualifying Subordinated Notes shall be:

- (A) subordinated to the payment in full of:
 - (1) any creditors (including depositors) in respect of Senior Obligations;
 - (2) any subordinated creditors ranking or expressed to rank senior to the Qualifying Subordinated Notes;
 - (3) any Disqualified Subordinated Notes issued by the Issuer; and
- (B) paid in priority to any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés" or engagements subordonnés de dernier rang*).

4.2 Status of Disqualified Subordinated Notes

If the Notes become Disqualified Subordinated Notes, principal and interest thereon, and, where applicable, any related Receipts and Coupons, constitute and will constitute direct, unconditional, unsecured and subordinated obligations ranking *pari passu* among themselves and *pari passu* with all other present or future subordinated instruments that are not, and have not been before 28 December 2020 (in the case of instruments issued before that date), recognised as additional tier 1 capital (as defined in Article 52 of the CRR which are treated as such by the then current requirements of the Relevant Regulator, and as amended by Part 10 of the CRR (Article 484 *et seq.* on grandfathering)) or Tier 2 Capital of the Issuer in accordance with Article L.613-30-3-I-5° of the *Code monétaire et financier*.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of the Disqualifying Subordinated Notes shall be:

- (A) subordinated to the payment in full of:
 - (1) any creditors (including depositors) in respect of Senior Obligations;
 - (2) any subordinated creditors ranking or expressed to rank senior to the Disqualified Subordinated Notes; and
- (B) paid in priority to any Qualifying Subordinated Notes, Ordinarily Subordinated Notes, *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer and any deeply subordinated obligations of the Issuer (*engagements dits "super subordonnés" or engagements subordonnés de dernier rang*).

The Noteholders shall be responsible for taking all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation in relation to any claims they may have against the Issuer.

The potential impact on the investment in the event of resolution of the Issuer is detailed in Condition 15 (*Recognition of Bail-in and Loss Absorption*).

In the event of incomplete payment of the Senior Obligations, the obligations of the Issuer in connection with the Notes will be terminated.

There is no negative pledge in respect of the Notes.

5 Interest

5.1 *Interest rate*: Unless previously redeemed in accordance with Condition 7 (*Redemption and Purchase*), the Notes will bear interest on their Prevailing Principal Amount at a rate described in (i) and (ii) below (such rate of interest, the “**Rate of Interest**”):

- (i) from (and including) the Issue Date to (but excluding) the First Reset Date at a Fixed Rate payable annually in arrear on each Interest Payment Date up to (and including) the First Reset Date; and

- (ii) from (and including) the First Reset Date to (but excluding) the Maturity Date, at a rate *per annum* which will be subject to a reset every five (5) years and shall be equal to the Reset Rate of Interest of the relevant Reset Period, payable annually in arrear on each Interest Payment Date following the First Reset Date up to (and including) the Maturity Date, as determined by the Calculation Agent, subject in any case as provided in Condition 8 (*Payments*).
- 5.2 *Accrual of interest*: Each Note will cease to bear interest from the due date for redemption unless payment of the Prevailing Principal Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of:
- (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and
 - (ii) the day which is seven (7) days after the Principal Paying Agent has notified the Noteholders in accordance with Condition 14 (*Notices*) that it has received all sums due in respect of the Notes up to such seventh (7th) day (except to the extent that there is any subsequent default in payment).
- 5.3 *Determination of Reset Rate of Interest*: The Calculation Agent will, as soon as practicable after 11:00 a.m. (Central European time) on each Reset Rate of Interest Determination Date, calculate the Reset Rate of Interest for such Reset Period.
- 5.4 *Publication of Reset Rate of Interest*: The Calculation Agent will cause the Reset Rate of Interest determined by it to be notified to the Principal Paying Agent as soon as practicable after such determination but in any event not later than the relevant Reset Date. Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 14 (*Notices*).
- 5.5 *Calculation of amount of interest per Note*: The amount of interest payable in respect of each Note for any period shall be calculated by:
- (i) applying the applicable Rate of Interest to the Prevailing Principal Amount;
 - (ii) multiplying the product thereof by the Day Count Fraction; and
 - (iii) rounding the resulting figure to the nearest EUR0.01 (EUR0.005 being rounded upwards).
- 5.6 *Notifications etc*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5 (*Interest*) by the Calculation Agent or, as the case may be, any Independent Adviser will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and (subject as aforesaid) no liability to any such person will attach to the Calculation Agent or, as the case may be, any Independent Adviser in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.
- 5.7 *Calculation Agent*: The Agency Agreement provides that the Issuer may at any time terminate the appointment of the Calculation Agent and appoint a substitute Calculation Agent provided that so long as any of the Notes remain outstanding, there shall at all times be a Calculation Agent for the purposes of the Notes. The Calculation Agent may not resign its duties or be removed without a successor having been appointed. The Calculation Agent shall act as an independent expert in the performance of its duties and not as agent for the Issuer or the Noteholders.

Notice of any change of Calculation Agent or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 14 (*Notices*) and, so long as the Notes are admitted to trading on Euronext Paris and if the rules applicable to such stock exchange so require, to such stock exchange.

5.8 *5-Year Mid-Swap Rate Discontinuation:*

(a) Independent Adviser

If a Benchmark Event occurs in relation to a 5-Year Mid-Swap Rate (or any component part thereof) when any Reset Rate of Interest remains to be determined by reference to such 5-Year Mid-Swap Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Mid-Swap Rate, failing which an Alternative Mid-Swap Rate (in accordance with Condition 5.8(b)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5.8(d)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 5.8 shall act in good faith, in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith, manifest error or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, or the Noteholders for any determination made by it, pursuant to this Condition 5.8.

If:

- (i) the Issuer is unable to appoint an Independent Adviser; or
- (ii) the Independent Adviser appointed by it fails to determine a Successor Mid-Swap Rate or, failing which, an Alternative Mid-Swap Rate in accordance with this Condition 5.8(a) prior to the relevant Reset Rate of Interest Determination Date; or
- (iii) the Issuer determines that the replacement of the 5-Year Mid-Swap Rate with the Successor Mid-Swap Rate, failing which, the Alternative Mid-Swap Rate or any Benchmark Amendments (as defined below) would result in (x) a MREL/TLAC Disqualification Event or (y) the Relevant Regulator and/or the Relevant Resolution Authority treating the next Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date or (z) a Capital Event,

the Reset Rate of Interest applicable to the next succeeding Interest Period will be and in the case of paragraph (iii) above may be, at the option of the Issuer, equal to the last Reset Rate available as determined by the Calculation Agent.

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

If the Independent Adviser, determines that:

- there is a Successor Mid-Swap Rate, then such Successor Mid-Swap Rate and the applicable Adjustment Spread shall subsequently be used in place of the 5-Year Mid-Swap Rate (or component part thereof) to determine the relevant Reset Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5.8); or
- there is no Successor Mid-Swap Rate but that there is an Alternative Mid-Swap Rate, then such Alternative Mid-Swap Rate and the applicable Adjustment Spread shall subsequently be used in place of the 5-Year Mid-Swap Rate (or component part thereof) to determine the relevant Reset Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5.8).

(c) Adjustment Spread:

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for

determining, such Adjustment Spread, then the Successor Mid-Swap Rate or Alternative Mid-Swap Rate (as applicable) will apply without an Adjustment Spread.

(d) **Benchmark Amendments:**

If any Successor Mid-Swap Rate or Alternative Mid-Swap Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5.8 and the Independent Adviser determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Mid-Swap Rate or Alternative Mid-Swap Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5.8(e), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5.8(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(e) **Notices, etc:**

Any Successor Mid-Swap Rate, Alternative Mid-Swap Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5.8 will be notified promptly by the Issuer, after receiving such information from the Independent Adviser, to the Principal Paying Agent, the Calculation Agent, the Paying Agents, the Representative and, in accordance with Condition 14 (*Notices*), the Noteholders. Such notices shall specify the effective date of the Benchmark Amendments, if any.

The Successor Mid-Swap Rate or Alternative Mid-Swap Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error, bad faith or fraud in the determination of the Successor Mid-Swap Rate or Alternative Mid-Swap Rate and the Adjustment Spread and the Benchmark Amendments (if any)) be binding on the Issuer, the Calculation Agent, the Paying Agents and the Noteholders.

(f) **Survival of 5-Year Mid-Swap Rate**

Without prejudice to the obligations of the Issuer under Condition 5.8 (a), (b), (c), (d), the 5-Year Mid-Swap Rate will continue to apply unless and until a Benchmark Event has occurred.

(g) **Noteholders’ deemed consent**

By subscribing to, or acquiring, the Notes, and solely in the context of a Benchmark Event which leads to the application of a Benchmark Amendment, each Noteholder shall be deemed to have agreed and approved any Benchmark Amendments or such other necessary changes pursuant to this Condition 5.8.

6 Write-Down

6.1 *Write-Down:* Upon the occurrence of a Trigger Event and unless the CET1 generated through Higher Trigger Loss Absorbing Instruments is sufficient to remedy such Trigger Event, the Issuer shall:

- (i) immediately notify the Relevant Regulator of the occurrence of the Trigger Event;
- (ii) give a Write-Down Notice to Noteholders (in accordance with Condition 14 (*Notices*)) and the Principal Paying Agent; and

- (iii) irrevocably (without the need for the consent of Noteholders) reduce on the Write-Down Date the then Prevailing Principal Amount of each Note by the relevant Write-Down Amount (such reduction being referred to as a “*Write-Down*”, and “*Written Down*” being construed accordingly).

Notwithstanding the foregoing, failure to give such notice shall not prevent the Issuer from effecting a Write-Down.

Furthermore, if a notice of a Trigger Event has been given pursuant to this Condition 6.1, no notice of redemption may be given pursuant to Condition 7.2 (*Redemption at the Option of the Issuer*), Condition 7.3 (*Optional Redemption upon the occurrence of a Capital Event*) or Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*) until the Write-Down Date.

The Notes may only be subject to Write-Down once.

- 6.2 *Consequence of a Write-Down*: Write-Down of the Prevailing Principal Amount shall not constitute a default in respect of the Notes or a breach of the Issuer’s obligations or duties or a failure to perform by the Issuer in any manner whatsoever and shall not entitle Noteholders to petition for the insolvency or dissolution of the Issuer. There will be no reinstatement of the Prevailing Principal Amount of the Notes even if the circumstances giving rise to the Trigger Event have ceased or have been cured.

Following a Write-Down of the Prevailing Principal Amount, Noteholders will be automatically deemed to waive irrevocably their rights to receive, and no longer have any rights against the Issuer with respect to, interest on and repayment of the Write-Down Amount.

7 Redemption and Purchase

- 7.1 *Redemption at maturity*: Subject to Condition 7.8 (*Conditions to Redemption and Purchase*), unless previously redeemed, purchased and cancelled as provided for below, the Notes will be redeemed at their Prevailing Principal Amount, together with any interest accrued to the date fixed for redemption (if any), on the Maturity Date.
- 7.2 *Redemption at the Option of the Issuer*: The Issuer may (at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below), subject to having given no less than fifteen (15) nor more than thirty (30) days’ prior notice to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem the then outstanding Notes, on the relevant Optional Redemption Date in whole, but not in part, at their Prevailing Principal Amount, together with any interest accrued to (but excluding) the relevant Optional Redemption Date (if any).
- 7.3 *Optional Redemption upon the occurrence of a Capital Event*: Upon the occurrence of a Capital Event, the Issuer may (at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below) at any time subject to having given no less than thirty (30) nor more than forty-five (45) days’ notice to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem the then outstanding Notes in whole, but not in part, at their Prevailing Principal Amount, together with any interest accrued to the date fixed for redemption (if any).
- 7.4 *Optional Redemption upon the occurrence of a Tax Event*:
 - (i) If by reason of a change in French laws or regulations, or any change in the application or official interpretation of such laws or regulations, or any other change in the tax treatment of the Notes which is required by law or which is requested in writing by a competent tax authority, becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 9 (*Taxation*) (a “**Withholding Tax Event**”), the Issuer may, at its option but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below, on any Interest Payment Date, subject to having given no less than thirty (30) nor more than forty-five (45) days’ notice to the

Noteholders (in accordance with Condition 14 (*Notices*)) (which notice shall be irrevocable) and the Principal Paying Agent, redeem all but not some only of the then outstanding Notes at their Prevailing Principal Amount, together with any interest accrued to the date fixed 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 interest without withholding for such taxes.

- (ii) If the Issuer would, on the next payment of interest in respect of the Notes, be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 9 (*Taxation*) (a “**Gross-Up Event**”), then, the Issuer may, at its option (but subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below) upon giving not less than seven (7) days' prior notice to the Noteholders (in accordance with Condition 14 (*Notices*)) (which notice shall be irrevocable) and the Principal Paying Agent, redeem all but not some only of the then outstanding Notes at their Prevailing Principal Amount, together with any interest accrued to the date fixed for redemption at any time, 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 such Notes or, if that date is passed, as soon as practicable thereafter.
- (iii) If by reason of any change in the French laws or regulations, or any change in the application or official interpretation of such laws or regulations, or any other change in the tax treatment of the Notes which is required by law or which is requested in writing by a competent tax authority, becoming effective on or after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer that is tax-deductible by the Issuer being reduced (a “**Tax Deduction Event**”), the Issuer may, at its option, subject to Condition 7.8 (*Conditions to Redemption and Purchase*) below, on any Interest Payment Date, subject to having given no less than thirty (30) nor more than forty-five (45) days' notice to the Principal Paying Agent and the Noteholders (in accordance with Condition 14 (*Notices*)) (which notice shall be irrevocable) redeem all, but not in part, of the then outstanding Notes at the Prevailing Principal Amount together with any interest accrued to the date fixed for redemption (if any) thereon, 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 such payment with interest payable not being impacted by the reduction in tax deductibility giving rise to the Tax Deductibility Event.

The Issuer will not give notice under this Condition 7.4 unless it has demonstrated to the satisfaction of the Relevant Regulator that the change referred to in paragraphs (i), (ii) and (iii) above is material and was not reasonably foreseeable at the time of issuance of the Notes.

- 7.5 *Optional Redemption upon the occurrence of a MREL/TLAC Disqualification Event*: Upon the occurrence of an MREL/TLAC Disqualification Event, the Issuer may, at its option, at any time and having given no less than thirty (30) nor more than forty-five (45) days' notice to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), redeem all (but not some only) of the then outstanding Notes at their Prevailing Principal Amount together with any accrued interest (if any) thereon subject to such redemption being permitted by the Applicable MREL/TLAC Regulations and subject to the prior permission of the Relevant Regulator and/or the Relevant Resolution Authority if required.
- 7.6 *Purchase*: The Issuer shall have the right at all times on or after the fifth (5th) anniversary of the Issue Date (but subject to the provisions of Condition 7.8 (*Conditions to Redemption and Purchase*) below) to purchase Notes in the open market or otherwise at any price in accordance with applicable laws and regulations.

Notwithstanding the above, the Issuer or any agent on its behalf shall have the right at all times to purchase the Notes for market making purposes provided that: (a) the prior written permission of the Relevant Regulator shall be obtained; and (b) the total principal amount of the Notes issued under the Programme so

purchased does not exceed the lower of (x) 10% of the initial aggregate principal amount of the Notes and such any further notes issued under Condition 13 (*Further Issues*), or (y) 3% of the Tier 2 Capital of the Issuer from time to time outstanding. The Notes so purchased by or on behalf of the Issuer may be held and resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Notes.

7.7 *Cancellation*: All Notes which are redeemed or purchased by the Issuer to be cancelled will forthwith be cancelled and accordingly may not be re-issued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7.8 *Conditions to Redemption and Purchase*: The Notes may only be redeemed or purchased if the Relevant Regulator has given its prior written permission to such redemption, purchase or cancellation (as applicable) and the other conditions required by Article 78 of the CRR (as they may be amended or replaced from time to time and as applicable on the date of such redemption or purchase) are met, it being understood that any refusal by the Relevant Regulator to give its prior written permission shall not constitute a default for any purpose.

(h) As at the Issue Date, the following conditions are required by Article 78 of the CRR:

- (i) before or at the same time as such redemption or purchase (as applicable) of the Notes, the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or
- (ii) the Issuer has demonstrated to the satisfaction of the Relevant Regulator that its own funds and eligible liabilities would, following such redemption or purchase (as applicable), exceed its minimum capital requirements (including any applicable capital buffer requirements) laid down in the CRD IV Rules and the BRRD by a margin that the Relevant Regulator and/or the Relevant Resolution Authority, if required, considers necessary; and

(i) In the case of redemption before the fifth (5th) anniversary of the Issue Date, if:

- (i) the conditions listed in paragraphs (a)(i) or (a)(ii) above are met; and
- (ii)

I in the case of redemption due to the occurrence of a Capital Event, (x) the Relevant Regulator considers such change to be sufficiently certain, (y) the Issuer demonstrates to the satisfaction of the Relevant Regulator that the Capital Event was not reasonably foreseeable at the time of issuance of the Notes and (z) the Issuer has delivered a certificate to the Principal Paying Agent (and copies thereof will be available at the Principal Paying Agent's specified office during its normal business hours) not less than five (5) days prior to the date set for redemption that such Capital Event has occurred or will occur no more than ninety (90) days following the date fixed for redemption, as the case may be; or

II in the case of redemption due to the occurrence of a Tax Event, (x) the Issuer demonstrates to the satisfaction of the Relevant Regulator that such Tax Event is material and was not reasonably foreseeable at the time of issuance of the Notes, (y) the Issuer has delivered a certificate to the Principal Paying Agent (and copies thereof will be available at the Principal Paying Agent's specified office during its normal business hours) not less than five (5) days prior to the date set for redemption that such Tax Event has occurred or will occur no more than ninety (90) days following the date fixed for redemption, as the case may be; or

- III the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and the Relevant Regulator has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
- IV the Notes are repurchased for market making purposes. Any purchase for market making purposes is further subject to the conditions set out in Article 29 of the CDR, in particular with respect to the predetermined amount authorized by the Relevant Regulator.

7.9 *Determination of Trigger Event supersedes notice of redemption:* If the Issuer has given a notice of redemption of the Notes pursuant to Condition 7.2 (*Redemption at the Option of the Issuer*), Condition 7.3 (*Optional Redemption upon the occurrence of a Capital Event*) or Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*) and, after giving such notice but prior to the relevant redemption date, the Issuer determines that a Trigger Event has occurred, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, the Notes will not be redeemed on the scheduled redemption date and, instead, a Write-Down shall occur in respect of the Notes as described under Condition 6 (*Write-Down*). The Issuer shall give notice thereof to the Noteholders and the Principal Paying Agent in accordance with Condition 14 (*Notices*), as soon as possible following any such automatic rescission of a notice of redemption. Following the Write-Down Date, the Issuer may give a new notice of redemption pursuant to Condition 7.2 (*Redemption at the Option of the Issuer*), Condition 7.3 (*Optional Redemption upon the occurrence of a Capital Event*) or Condition 7.4 (*Optional Redemption upon the occurrence of a Tax Event*).

8 Payments

- 8.1 *Method of Payment:* Payments of principal and interest in respect of the Notes shall be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the Noteholders. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.
- 8.2 *Payments on business days:* If the due date for payment of any amount in respect of any Note is not a Business Day, the Noteholder shall not be entitled to payment of the amount due until the next succeeding Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.
- 8.3 *Fiscal Agent, Paying Agent and Calculation Agent:* The names of the initial Agents and their specified offices are set out below:

Fiscal Agent, Principal Paying Agent and Calculation Agent
 BNP Paribas Securities Services
 (affiliated with Euroclear France under number 30)
 Les Grands Moulins de Pantin
 9, rue du Debarcadère
 93500 Pantin
 France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Principal Paying Agent, Paying Agent or Calculation Agent and/or appoint additional or other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be a Fiscal Agent, a Principal Paying Agent and a Calculation Agent having a specified office in a European city. Notice of any such change or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 14 (*Notices*) and, so long as the Notes are admitted to trading on Euronext Paris and if the rules applicable to such stock exchange so require, to such stock exchange.

- 8.4 *Waiver of set-off*: No Noteholder may at any time exercise or claim any Waived Set-Off Rights (as defined below) against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort or any non-contractual obligations, in each case whether or not relating to such Note) and each such Noteholder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition 8.4 is intended to provide or shall be construed as acknowledging any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder but for this Condition 8.4.

For the purposes of this Condition 8.4, “**Waived Set-Off Rights**” means any and all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any such Note.

9 Taxation

- 9.1 *Withholding taxes*: All payments of principal, interest and other assimilated revenues by or on behalf of the Issuer in respect of the Notes as the case may be 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.
- 9.2 *Gross up*: If French law should require that payments of interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes, duties assessments or governmental charges of whatever nature imposed, levied, collected, withheld or levied by or on behalf of the Republic of France, 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, except that no such additional amounts shall be payable with respect to 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 the Republic of France other than the mere holding of the Note.
- 9.3 *FATCA*: Notwithstanding any other provision of the Conditions, all payments of interest by or on behalf of the Issuer in respect of the Notes, shall be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**U.S. Internal Revenue Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

For the avoidance of doubt, no additional amounts shall be payable by the Issuer in respect of payments of principal under the Notes.

10 Prescription

Claims against the Issuer for payment of principal 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 due date thereof.

11 No Event of Default

There is no event of default under the Notes which would lead to an acceleration of such Notes if certain events occur.

However, if any judgment were issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer were liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency), then the Notes would become immediately due and payable.

12 Meeting and voting provisions

12.1 *General*: The Noteholders will be grouped automatically for the defence of their common interests in a *masse* (in each case, the “*Masse*”) which will be subject to the provisions of this Condition.

The *Masse* will be governed by the provisions of the French *Code de commerce* with the exception of Articles L.228-65 I, 4° and II, L.228-71, R.228-61, R.228-63, R.228-69, R.228-72, R.228-76, R.228-79 and R.236-11, and further subject to the following provisions:

12.1.1 Legal Personality

The *Masse* will be a separate legal entity and will act in part through a representative (the “**Representative**”) and in part through a general meeting of the Noteholders (the “**General Meeting**”).

12.1.2 Representative of the Masse

Pursuant to Article L.228-51 of the French *Code de commerce*, the names and addresses of the initial Representative and its alternate shall be:

Initial Representative:

MCM AVOCAT
Selarl d’avocats interbarreaux inscrite au Barreau de Paris
10, rue de Sèze
75009 Paris
France
represented by Maître Antoine Lachenaud, Co gérant – associé

Alternate Representative:

Maître Philippe Maisonneuve, Avocat
10, rue de Sèze
75009 Paris
France

The Representative appointed in respect of the Notes will be the Representative of the single *Masse* of all other notes issued pursuant to Condition 13 (*Further Issues*).

The Representative will receive a remuneration of EUR 2,000 (excluding VAT) per year so long as any of the Notes remains outstanding.

In the event of death, liquidation, retirement, dissolution or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, liquidation, retirement, dissolution or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Principal Paying Agent.

12.1.3 Powers of the Representative

The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

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

The Representative may not interfere in the management of the affairs of the Issuer.

12.1.4 General Meetings

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 0:00, Paris time, on the second (2nd) business day in Paris preceding the date set for the meeting of the relevant General Meeting.

In accordance with Articles L.228-59 and R.228-67 of the French *Code de commerce*, notice of date, hour, place and agenda of any General Meeting will be published as provided under Condition 14 (*Notices*) not less than fifteen (15) days prior to the date of such General Meeting on first convocation, and five (5) days on second convocation.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, by correspondence and, in accordance with Article L.228-61 of the French *Code de commerce*, by videoconference or by any other means of telecommunication allowing the identification of participating Noteholders, as provided *mutatis mutandis* by Article R.225-97 of the French *Code de commerce*. Each Note carries the right to one vote.

Decisions relating to General Meetings and Written Resolutions will be published in accordance with the provisions set forth in Condition 14 (*Notices*). Furthermore, (i) the decision of a General Meeting to appoint a Representative, (ii) the decision of the Issuer to override the refusal of the General Meeting to approve the proposal to change the objects or corporate form of the Issuer pursuant to Article L.228-65, I, 1° of the French *Code de commerce* or (iii) the decision of the Issuer to offer to redeem Notes on demand in the case of a merger or demerger of the Issuer pursuant to Articles L.236-13 and L.236-18 of the French *Code de commerce*, will be published in accordance with the provisions set forth in Condition 14 (*Notices*).

12.1.5 Powers of the General Meetings

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the liabilities (*charges*) of Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth (1/5th) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Noteholders attending such General Meetings or represented thereat.

12.1.6 *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**”).

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 14 (*Notices*) not less than five (5) days prior to the date fixed for the passing of such Written Resolution (the “**Written Resolution Date**”). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders expressing their approval or rejection before the Written Resolution Date will irrevocably undertake not to dispose of their Notes until after the Written Resolution Date.

For the purpose hereof, a “**Written Resolution**” means a resolution in writing signed by the Noteholders of not less than 85 percent. in nominal amount of the Notes outstanding.

- 12.2 *Information to Noteholders:* Each Noteholder will have the right, during (i) the fifteen (15)-day period preceding the holding of each General Meeting on first convocation or (ii) the five (5)-day period preceding the holding of such General Meeting on second convocation or, in the case of a Written Resolution, the Written Resolution Date, as the case may be, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be prepared in connection with such resolution, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Principal Paying Agent and at any other place specified in the notice of the General Meeting or the Written Resolution.
- 12.3 *Expenses:* The Issuer will pay all expenses relating to the operation of the *Masse*, including expenses relating to the calling and holding of General Meetings and seeking the approval of a Written Resolution, expenses of the Representative of the *Masse* in the performance of its duties, as the case may be, and, more generally, all administrative expenses resolved upon by the General Meeting or in writing by the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.
- 12.4 *Single Masse:* The Noteholders and the holders of Notes of any other notes which have been assimilated with the Notes in accordance with Condition 13 (*Further Issues*), shall, for the defence of their respective common interests, be grouped in a single *Masse*. The Representative appointed in respect of the Notes will be the Representative of the single *Masse* of all such notes.
- 12.5 *One Noteholder:* If and for so long as the Notes are held by a single Noteholder, the provisions of this Condition will not apply. Such sole Noteholder shall hold a register of the decisions it will have taken in this

capacity, shall provide copies of such decisions to the Issuer and shall make them available, upon request, to any subsequent holder of all or part of the Notes.

13 Further Issues

Subject to prior consultation with the Relevant Regulator, the Issuer may from time to time without the consent of the Noteholders issue further notes, such further notes forming a single series with the Notes so that such further notes and the Notes carry rights identical in all respects (or in all respects save for their issue date, interest commencement date, issue price and/or the amount and date of the first payment of interest thereon). Such further notes shall be assimilated (*assimilables*) to the Notes as regards their financial service provided that the terms of such further notes provide for such assimilation.

14 Notices

- 14.1 Notices to the Noteholders shall be valid if, at the option of the Issuer, they are published so long as such Notes are 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 daily leading newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or (c) following Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the AMF.
- 14.2 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.
- 14.3 Notices required to be given to the Noteholders 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 as required by Conditions 14.1 and 14.2 above;
 - 14.3.1 except that notices will be published (a) so long as such Notes are admitted to trading on Euronext Paris, in a leading daily newspaper of general circulation in France (which is expected to be *Les Echos*), or (b) following Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the AMF, and
 - 14.3.2 notices relating to the convocation and decision(s) of the General Meetings and Written Resolutions pursuant to Condition 12 (*Meeting and voting provisions*) shall also be published (a) on the website of the Issuer, and (b) so long as such Notes are admitted to trading on Euronext Paris and the rules of such Regulated Market so permit, on the website of the AMF or Euronext Paris, or (c) in a leading newspaper of general circulation in Europe.

15 Recognition of Bail-in and Loss Absorption

- 15.1 *Acknowledgement*: By its acquisition of the Notes, each Noteholder (which, for the purposes of this Condition 15, includes any current or future holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:
 - (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below), which may include and result in any of the following, or some combination thereof:
 - I the reduction of all, or a portion, of the Amounts Due (as defined below);
 - II the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of

the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

III the cancellation of the Notes; and/or;

IV the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;

(b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

For these purposes, the “**Amounts Due**” are the Prevailing Principal Amount of the Notes, and any accrued and unpaid interest on the Notes that has not been previously cancelled or otherwise is no longer due.

15.2 *Bail-in or Loss Absorption Power*

For these purposes, the “**Bail-in or Loss Absorption Power**” is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of BRRD, including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691), Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No. 1093/2010 (as amended from time to time, including by Regulation (EU) No. 2019/877 dated 20 May 2019, the “**Single Resolution Mechanism Regulation**”), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), canceled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution.

A reference to a “**Regulated Entity**” is to any entity referred to in Section I of Article L.613-34 of the French *Code monétaire et financier*, as amended, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the “**Relevant Resolution Authority**” is to the *Autorité de contrôle prudentiel et de résolution*, the single resolution board (the “**Single Resolution Board**”) established by the Single Resolution Mechanism Regulation and/or any other authority entitled to exercise or participate in the exercise of the bail in power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

15.3 *Payment of Interest and Other Outstanding Amounts Due*: No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in France and the European Union applicable to the Issuer or other members of its group.

- 15.4 *No Event of Default*: Neither a cancellation of the Notes, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Notes will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholder to any remedies (including equitable remedies) which are hereby expressly waived.
- 15.5 *Notice to Noteholders*: Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will give notice to the Noteholders in accordance with Condition 14 (*Notices*) as soon as practicable regarding such exercise of the Bail-in or Loss Absorption Power. The Issuer will also deliver a copy of such notice to the Principal Paying Agent for information purposes, although the Principal Paying Agent shall not be required to send such notice to Noteholders. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-in or Loss Absorption Power nor the effects on the Notes described in Condition 15.1 above.
- 15.6 *Duties of the Principal Paying Agent*
- Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority, the Issuer and each Noteholder (including each holder of a beneficial interest in the Notes) hereby agree that (a) the Principal Paying Agent shall not be required to take any directions from Noteholders, and (b) the Agency Agreement shall impose no duties upon the Principal Paying Agent whatsoever, in each case with respect to the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority.
- Notwithstanding the foregoing, if, following the completion of the exercise of the Bail-In or Loss Absorption Power by the Relevant Resolution Authority, any Notes remain outstanding (for example, if the exercise of the Bail-In or Loss Absorption Power results in only a partial write-down of the principal of the Notes), then the Principal Paying Agent's duties under the Agency Agreement shall remain applicable with respect to the Notes following such completion to the extent that the Issuer and the Principal Paying Agent shall agree pursuant to an amendment to the Agency Agreement.
- 15.7 *Pro-rata*: If the Relevant Resolution Authority exercises the Bail-in or Loss Absorption Power with respect to less than the total Amounts Due, unless the Principal Paying Agent is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Bail-in or Loss Absorption Power will be made on a pro-rata basis.
- 15.8 *Conditions Exhaustive*: The matters set forth in this Condition 15 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any Noteholder.

16 Modification

Any modification (other than as provided in Condition 5.8 (*5-Year Mid-Swap Rate Discontinuation*)) of the Conditions may only be made to the extent the Issuer has obtained the prior approval of the Relevant Regulator.

17 Governing Law and Jurisdiction

- 17.1 *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.
- 17.2 *Jurisdiction*: Any claim against the Issuer in connection with any Notes may be brought before any competent court in Paris.

The following paragraph in italics does not form part of the Conditions of the 2042 Notes and the 2046 Notes:

For so long as the Issuer solicits an issuer rating (or such similar nomenclature used by S&P from time to time) from S&P, the Issuer intends (without thereby assuming a legal obligation) that it will only redeem the 2042 Notes or the 2046 Notes pursuant to Condition 7.2 (Redemption at the Option of the Issuer) and Condition 7.6 (Purchase) to the extent that the aggregate principal amount of the 2042 Notes or the 2046 Notes to be redeemed does not exceed such part of the net proceeds, received by the Issuer and/or any member of the Banques Populaires or the Caisses d'Epargne network during the 360-day period prior to the date of redemption of the 2042 Notes or the 2046 Notes, from the sale or issuance by the Issuer and/or any member of the Banques Populaires or the Caisses d'Epargne network to third party purchasers (other than members of the Groupe BPCE), of securities that are assigned by S&P, following the time of sale or issuance of such securities, a level of "equity content" (or such similar nomenclature used by S&P from time to time) that is equal to or greater than the "equity content" assigned to the 2042 Notes or the 2046 Notes to be redeemed at the date of issue of the 2042 Notes and the 2046 Notes (but taking into account any changes in bank capital methodology or another relevant methodology or the interpretation thereof since the date of issue of the 2042 Notes or the 2046 Notes). This limitation will no longer apply if a Rating Methodology Event occurs.

USE AND ESTIMATED NET AMOUNT OF PROCEEDS

The estimated net proceeds from the issue of the 2042 Notes will amount to EUR 893,418,000 and the estimated net proceeds from the issue of the 2046 Notes will amount to EUR 839,386,000. An amount equal to the estimated net proceeds of the issue of the Notes will be used for the Issuer's general corporate purposes.

INFORMATION ABOUT THE ISSUER

General Presentation of the Issuer

BPCE is a French limited liability company (*société anonyme*) governed by a Management Board (*Directoire*) and a Supervisory Board (*Conseil de Surveillance*). The Issuer was granted approval as a bank by the Committee of credit institutions and investment companies (*Comité des établissements de crédit et des entreprises d'investissement*) of the *Banque de France* (now the Prudential supervision and resolution authority (*Autorité de contrôle prudentiel et de résolution*)) on 23 June 2009. Since 4 November 2014, the Issuer and the Groupe BPCE, have become subject to direct supervision by the European Central Bank (the “**ECB**”), which assumes the supervisory functions previously performed by the French regulators. The Issuer's number with the Paris Trade and Companies Registry is 493 455 042. The term of the Issuer is set at 99 years and it shall consequently expire on 21 January 2106 except in the event of earlier dissolution or extension.

Share capital and major shareholders

As at the date of this Prospectus, the share capital is equal to €173,613,700 divided into 34,722,740 fully paid-up shares with a par value of €5 each, broken down into two classes, “A” and “B”:

- 17,361,370 class “A” shares (“**A Shares**”) represent the Issuer's ordinary voting shares of common stock held by the Caisses d'Epargne (the “**A Shareholders**”);
- 17,361,370 class “B” shares (“**B Shares**”) represent the Issuer's ordinary voting shares of common stock held by the Banques Populaires (the “**B Shareholders**”);

The shares are in nominative form. They are registered in a register and shareholders' accounts held by the Issuer or by an authorised intermediary.

The Issuer has issued no bonds that may be converted, exchanged or redeemed in the form of securities giving access to share capital, warrants or other securities. There are no shares granting multiple voting rights.

The 15 Caisses d'Epargne and the 14 Banques Populaires hold the share capital and the voting rights of BPCE equally.

The number of Banques Populaires and Caisses d'Epargne may evolve over time if certain of these entities decide to merge as has been the case in the past. Such mergers, to be carried out between consolidating entities or between a consolidating entity and its wholly-owned subsidiaries, should not have a material impact on the Groupe BPCE's consolidated financial statements, subject to the specific terms of any such reorganization.

Statutory Mission of the Issuer

The mission of the Issuer is defined in Article 1 of the French law n°2009-715 dated 18 June 2009 (the “**BPCE Law**”).

The mission of the Issuer is to facilitate and promote the business activities and the development of the mutual banking group composed by the network of the Banques Populaires and the network of Caisses d'Epargne et de Prévoyance, the affiliated entities and, more generally, the other entities which are controlled by the Issuer.

As part of its role as central body (*organe central*), BPCE acts as the central bank for the Affiliated Group and the network banks. Its role includes making loans and advances to, and taking deposits of excess cash balances of, these entities. BPCE is responsible for raising financing in the interbank and bond markets, and thus effectively ensures the asset and liability management role for the group. As an exception, certain affiliates that had autonomous financing and asset-liability functions (primarily Natixis and Crédit Foncier de France) continue to manage certain of these matters, subject to the internal control and risk management policies and procedures in place for the group.

In accordance with the BPCE Law, the “**Affiliated Group**” may include any French credit institution in which BPCE or one or more of the Banques Populaires or the Caisses d'Epargne hold exclusive or joint control. The entities in the Affiliated Group include BPCE, Natixis, and the affiliates of the Groupe BPCE that are French credit institutions.

Corporate Purpose of the Issuer

Pursuant to its by-laws, the corporate purpose of the Issuer is:

1° – To be the central body (*organe central*) of the network of the Banques Populaires and the network of the Caisses d'Epargne and of the other affiliated entities, within the meaning of the French *Code monétaire et financier*. In this capacity, and pursuant to Articles L.511-31 *et seq.* and L.512-107 *et seq.* of the French *Code monétaire et financier* and the BPCE Law, BPCE is responsible in particular:

- for defining the policies and the strategic orientations of the Affiliated Group, as well as the network of the Banques Populaires and the network of the Caisses d'Epargne composing it;
- for coordinating the sales policies of each of these networks and taking all useful measures for developing the Affiliated Group, in particular by acquiring or owning strategic holdings;
- for representing the Affiliated Group and each of the networks to defend their common rights and interests, in particular with market organisations, as well as negotiating and concluding national and international agreements;
- for representing the Affiliated Group and each of the networks as employer to defend their rights and common interests and to negotiate and conclude collective branch agreements on their behalf;
- for taking all measures necessary for guaranteeing the Affiliated Group's liquid assets, as well as that of each of the networks, and for this purpose by defining the principles and procedures for investing and managing the cash assets of the establishments that make up the Affiliated Group and the conditions under which these establishments may carry out operations with other credit institutions or investment undertakings, carrying out securitisation operations, including issuing financial instruments, and carrying out all financial operations which are necessary for managing liquid assets;
- for taking all measures necessary for guaranteeing the solvency of the Affiliated Group, as well as that of each of the networks, in particular by implementing appropriate financial solidarity mechanisms internal to the Affiliated Group and by creating a guarantee fund common to the both networks for which it determines the operating rules, procedures for use complementary to the funds provided for under Articles L.512-12 and L.512-86-1, and contributions of the affiliated entities for the appropriation and reconstitution thereof (see "The Financial Solidarity Mechanism");
- for defining the organisation principles and conditions of the Affiliated Group's internal control system and those of each of the networks, as well as controlling the organisation, management and quality of the financial position of the affiliated entities in particular through on-site audits within the scope of intervention defined in paragraph four of Article L.511-31;
- for defining the policy and principles for managing risks as well as the limits thereon for the Affiliated Group and each of the networks and seeing to the continuous supervision thereof on a consolidated basis;
- for approving the articles of association of the affiliated entities and local savings companies as well as the amendments to be made therein;
- for confirming the appointment of key policy-making executives of the affiliated entities; and
- for calling up the contributions necessary for the performance of its missions as a central body.

2° – To be a credit institution, officially approved as a bank. In this capacity, it exercises, both in France and abroad, all banking activities referred to by the French *Code monétaire et financier* and provides the investment services referred to in Articles L.321-1 and L.321-2 of the French *Code monétaire et financier*. It acts as a central bank for the networks and more generally for the Affiliated Group;

3° – To be an insurance broker, in accordance with the regulations in force.

4° – To be an intermediary in real estate transactions, in accordance with the regulations in force.

5° - To acquire and hold investments, both in France and abroad, in French or foreign companies, all groups or associations contributing to the foregoing purposes or to the development of the Groupe BPCE and, more generally, to conduct all operations of any nature relating directly or indirectly to these purposes and liable to facilitate their development or achievement thereof.

The Financial Solidarity Mechanism

In accordance with the BPCE Law, BPCE established a financial solidarity mechanism to ensure the liquidity and solvency of the Banques Populaires and Caisses d'Epargne networks and of all entities in the Affiliated Group. The solidarity mechanism is a specific regime applicable to mutual banking groups, pursuant to which BPCE and each of the retail network banks is required to support the others (as well as each member of the Affiliated Group, in the case of BPCE) in case of temporary cash shortage (liquidity guarantee) or in order to prevent and/or cope with severe financial failings (solvency guarantee). Each retail network bank thus effectively acts as a guarantor of the obligations of BPCE

and of the other retail network banks, and BPCE effectively acts as guarantor of the obligations of the retail network banks and the other entities in the Affiliated Group. The solidarity mechanism is internal to the group and does not constitute a guarantee that is enforceable by third parties, although French or European authorities may require the mechanism to be used if needed.

BPCE manages the Banque Populaire Network Fund and the Caisse d'Épargne Network Fund and has put in place the Mutual Guarantee Fund.

The Banque Populaire Network Fund was formed by a deposit made by the Banks (€450 million) that was booked by BPCE in the form of 10-year term account which is indefinitely renewable.

The Caisse d'Épargne Network Fund was formed by a deposit made by the Caisses (€450 million) that was booked by BPCE in the form of a 10-year term account which is indefinitely renewable.

The Mutual Guarantee Fund was formed by deposits made by the Banque Populaire banks and the Caisses d'Épargne. These deposits were booked by BPCE in the form of a 10-year term accounts which are indefinitely renewable. The amount of the deposits by network was €176 million at 30 June 2021.

At Groupe BPCE SA level, the total amount of immediately available funds under the Mutual Guarantee Funds was €1,283 billion at 30 June 2021. In addition, the total amount of regulatory capital that can be mobilised by the Banque Populaire and Caisses d'Épargne networks amounts to €56.9 billion of tier 1 capital at 30 June 2021.

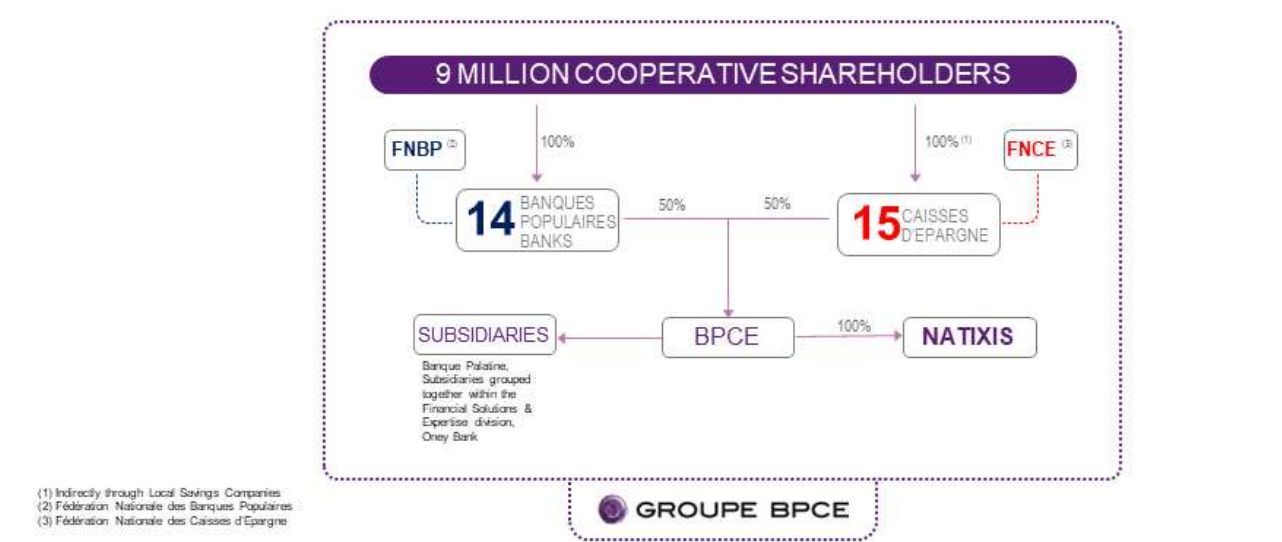
The total amount of deposits made to BPCE in respect of the Banque Populaire Network Fund, the Caisse d'Épargne Network Fund and the Mutual Guarantee Fund may not be less than 0.15% and may not exceed 0.3% of the total risk-weighted assets of the Group.

The Groupe BPCE structure

The Groupe BPCE is a mutual banking group. All of the voting shares of BPCE are owned by the regional Banques Populaires and Caisses d'Épargne (50% for each network), which are in turn owned directly or indirectly by approximately 9 million cooperative shareholders, who are primarily customers. As at 26 July 2021, BPCE owns interests in subsidiaries and affiliates such as Natixis (100%) and Crédit Foncier de France (100%).

As the central body (*organe central*) of the Groupe BPCE, BPCE's role (defined by the BPCE Law) is to coordinate policies and exercise certain supervisory functions with respect to the regional banks and other affiliated French banking entities, and to ensure the liquidity and solvency of the entire group.

The Groupe BPCE's structure as at 26 July 2021 is illustrated in the following chart:



The Groupe BPCE is aiming at integrating Crédit Foncier's activities into the Groupe BPCE. Such activities should be reorganized as follows:

- The financing activities for individuals would be integrated into the Banques Populaires and Caisses d'Épargne banks;
- The corporate financing activities would be redeployed within the Banques Populaires and Caisses d'Épargne banks for social housing and within Natixis for project and infrastructure finance.

- Socfim would become a subsidiary of BPCE S.A;
- Crédit Foncier Immobilier would become a subsidiary of BPCE SA.

In this Prospectus, reference is made both to the “**Groupe BPCE**” and the “**Groupe BPCE SA.**” The Groupe BPCE includes BPCE, its consolidated subsidiaries and associates, as well as the regional network banks. The Groupe BPCE SA includes only BPCE and its consolidated subsidiaries and associates, but not the regional banks.

Principal Business and Markets

The Groupe BPCE has two core business lines: commercial banking and insurance (primarily the Banques Populaires and Caisses d’Epargne retail banking networks, as well as real estate financing through Credit Foncier de France, insurance, international banking and certain other banking activities), and Corporate and Investment Banking, Investment Solutions and Specialised Financial Services (conducted through the Natixis group).

In addition to the core business lines, the Groupe BPCE has equity investments in a leading French real estate services company (Nexity), and Coface, a world leader in receivables management. The remainder of the Groupe BPCE’s business consists of corporate center activities (including BPCE’s activities as central body (*organe central*) of the Groupe BPCE).

For a detailed description of the Issuer’s business and markets please refer to section “Documents Incorporated by Reference” on pages 12 of this Prospectus.

The Groupe BPCE 2018-2020 Strategic Plan

The Groupe BPCE’s strategic plan for the period from 2018 to 2020, known as the “*TEC 2020: Digital Transformation – Commitment - Growth*” strategic plan. This plan is focused on a combination of digital transformation in order to seize opportunities created by the ongoing technological revolution, commitment towards Groupe BPCE’s customers, employees and cooperative shareholders, and growth in all of its core businesses. The objectives of this strategic plan are the following:

- accelerate the digital transformation in order to lift the Groupe BPCE’s digital net promoter score (NPS) at the pure-player level by developing the common interfaces for all of its brands, investing significantly in exploiting data, making its IT more agile, optimizing its operational model *via* shared platforms. The Digital transformation investments are to be raised to €600 million a year (2020 target);
- strong commitments towards its (i) clients, to provide them with more expertise and more solutions, (ii) staff, to make them active players in the Groupe BPCE’s transformation process and (iii) cooperative shareholders to reinforce the core of Groupe BPCE’s cooperative roots; and
- growth in all business lines retail banking despite persistently low interest rates, asset & wealth management and corporate & investment banking.

In order to achieve its growth and funding objectives, the Groupe BPCE can rely on further revenue synergies between Natixis and the Banque Populaire and Caisse d’Epargne networks (€750 million) and a cost-cutting program set to unlock €1bn of savings on a full-year basis by 2020.

Principal Ratings of the Issuer as at the date of this Prospectus

The Issuer is rated by recognised rating agencies. The significance and the meaning of individual ratings vary from agency to agency.

The ratings attributed to the Issuer are as follows:

	S&P	Moody’s	Fitch	R&I
Long term senior preferred rating	A	A1	A+	A+
Short term rating	A-1	P-1	F1	-
Outlook	Stable	Stable	Negative	Stable
Last update date	24/06/2021	03/08/2021	02/06/2021	29/07/2021

The ratings set forth above may be subject to revision or withdrawal at any time by the assigning rating agency. None of these ratings is an indication of the historic or potential performance of the Issuer’s shares or debt securities, and should not be relied upon for purpose of making an investment decision with respect to any of these securities.

As defined by S&P an obligor with a long-term senior preferred credit rating “A” has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. An obligor with a short-term credit rating “A-1” has strong capacity to meet its financial commitments. It is rated in the highest category by S&P.

As defined by Moody’s long-term obligations rated “A” are judged to be upper-medium grade and are subject to low credit risk, the modifier 1 indicates that the obligation ranks in the higher end of its generic rating category. Issuers rated “Prime-1” have a superior ability to repay short-term debt obligations.

As defined by Fitch long term “A+” ratings denote expectations of low default risk and the capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. A short term rating “F1” indicates the strongest intrinsic capacity for timely payment of financial commitments.

As defined by R&I long term “A+” ratings denote high creditworthiness supported by a few excellent factors.

RECENT DEVELOPMENTS



Press Release

Planned transfer to BPCE of Natixis' Insurance and Payment businesses

Paris, September 22nd, 2021

As announced by BPCE and Natixis in the context of the strategic plan finalized on July 8, 2021, Groupe BPCE plans an evolution of its organisation by combining the Natixis SA's Insurance and Payment businesses to BPCE.

This project aims to enhance the development of all Groupe BPCE's businesses by providing them with the means to increase their strategic flexibility, accelerate their development to the benefit of their customers and their performance, by simplifying its organisation.

BPCE's supervisory board and Natixis' board of directors which met today unanimously approved in principle this planned transaction, it being specified that in accordance with applicable laws, only the independent directors of Natixis took part to this vote.

The employee representative bodies involved within Groupe BPCE will be consulted on this planned transaction, in accordance with applicable regulations.

The completion of this transaction would be subject to the obtention of the necessary regulatory authorisations and could occur towards the first quarter of 2022.

About Groupe BPCE

Groupe BPCE, with its business model as a universal cooperative bank represented by 9 million cooperative shareholders, is currently the 2nd-largest banking group in France. With its 100,000 employees, it serves a total of 36 million customers – individuals, professionals, corporates, investors, and local government bodies – around the world. It operates in the retail banking and insurance sectors in France via its two major Banque Populaire and Caisse d'Épargne banking networks, along with Banque Palatine. With Natixis, it also runs global business lines specializing in Asset & Wealth management, Corporate & Investment Banking, Insurance and Payments. Through this structure, it is able to offer its customers a comprehensive, diversified range of products and services: solutions in savings, investment, cash management, financing, and insurance. The Group's financial strength is recognized by four financial rating agencies: The Group's financial strength is recognized by four financial rating agencies: Moody's (A1, stable outlook), Standard & Poor's (A, stable outlook), Fitch (A+, negative outlook) and R&I (A+, stable outlook).

About Natixis

Natixis is a French multinational financial services firm specialized in asset & wealth management, corporate & investment banking, insurance and payments. A subsidiary of Groupe BPCE, the second-largest banking group in France through its two retail banking networks, Banque Populaire and Caisse d'Épargne, Natixis counts over 16,000 employees across 36 countries. Its clients include corporations, financial institutions, sovereign and supranational organizations, as well as the customers of Groupe BPCE's networks. Natixis has a solid financial base with a CET1 capital under Basel 3(1) of €12.4 billion, a Basel 3 CET1 Ratio(1) of 11.5% and quality long-term ratings (Standard & Poor's: A / Moody's: A1 / Fitch Ratings: A+).

(1) Based on CRR-CRD4 rules as reported on June 26, 2013, including the Danish compromise - without phase-in. Figures as at 30 June 2021

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Press Release

Appointments to the Executive Management Committee of Groupe BPCE

Paris, September 23, 2021

Groupe BPCE announces the appointment of several new members to its Executive Management Committee, notably in light of its plans to simplify the Group's organization and its Payment and Insurance activities.

François Codet, Chief Executive Officer of Natixis Assurances, joins the Executive Management Committee in his capacity as Head of the Insurance business (as of October 2021).

Stéphanie Paix has been appointed Group Chief Risk Officer (as of January 2022), member of the Executive Management Committee. She is currently Deputy Chief Executive Officer in charge of the General Inspection of Groupe BPCE.

In addition, Yves Tyrode, Chief Innovation, Digital & Data Officer, will also be responsible for the Payments activity (October 2021) and Head of Oney Bank.

Once these appointments are effective, Groupe BPCE's Executive Management Committee will be comprised as follows:

- Laurent Mignon, Chairman of the Management Board and CEO,
- Christine Fabresse, Head of Retail Banking and Insurance, member of the Management Board,
- Béatrice Lafaurie, Head of Human Resources, member of the Management Board,
- Jean-François Lequoy, Head of Finance & Strategy, member of the Management Board,
- Nicolas Namias, Chief Executive Officer of Natixis, member of the Management Board,
- Laurent Benatar, Chief Technology & Operations Officer,
- Jacques Beyssade, Secretary General in charge of Legal Affairs, Corporate Governance, Compliance, Permanent Control, and Public Affairs,
- François Codet, Chief Executive Officer of Natixis Assurances, Head of Insurance business.
- Catherine Halberstadt, Head of the Financial Solutions & Expertise,
- Stéphanie Paix, Chief Risk Officer,
- Yves Tyrode, Chief Digital, Innovation & Data Officer, to which will be added responsibility for the Payments activity and Oney Bank.

In addition:

- **Christine Jacglin**, currently Chief Executive Officer of Banque Palatine, has been appointed Deputy Chief Executive Officer in charge of Groupe BPCE's General Inspection (effective January 2022).

- **Géraud Brac de La Perrière**, currently Chief Risk Officer, will join the Global Financial Services division as a senior advisor to the Chief Executive, and as co-chairman with Nicolas Namias of the Natixis Credit Committee (effective January 2022).

Biography of François Codet

François Codet started his career in primarily commercial and financial roles at Banque Populaire du Sud-Ouest (BPSO) in 1991, and later became deputy CEO of Banque Populaire Aquitaine Centre Atlantique after the merger between Banque Populaire Sud-Ouest and Banque Populaire Centre Atlantique. He joined the management board at Caisse d'Epargne Nord France Europe (CENFE) in charge of finance in 2015, and remained in this role after CENFE merged with Caisse d'Epargne de Picardie to create Caisse d'Epargne Hauts de France. He has been Chairman of the management board at Caisse d'Epargne Côte d'Azur since April 2018.

Since January 2021, François Codet has been Chief Executive Officer of Natixis Assurances and a member of the Executive Management Committee of Natixis.

Biography of Stéphanie Paix

A graduate of the Institut d'Etudes Politiques in Paris, Stéphanie Paix worked in the Banques Populaires inspection team from 1988 to 1994. Then, she became regional manager for Banque Populaire Rives de Paris, then manager of the Back Office & Organization between 1994 and 2002. She subsequently joined Natixis Banque Populaire as back-office manager for corporate banking. In 2006, she became Chief Executive Officer of Natixis Factor and a member of Coface's Executive Committee. In 2008, she was appointed Chief Executive Officer of Banque Populaire Atlantique. In 2012, Stéphanie Paix was appointed Chair of the Caisse d'Epargne Rhône Alpes Management Board.

Since November 2018, Stéphanie Paix served as Deputy Chief Executive Officer of the Groupe BPCE's Général Inspection.

Biography of Yves Tyrode

A graduate of the ENST School of Telecommunications in Paris, Yves Tyrode began his career in 1991 at France Telecom, now Orange, where he held various positions of responsibility: Marketing Manager for Enterprise Mobility Solutions (1996-1999), General Manager of the Mobile Internet for Business unit (1999-2002), Director of the Wi-Fi program/Marketing Manager of the Mobile Data Services unit (2002-2003), Director of the Data Business Unit (2003-2005) and Executive Vice President of the company's Technocentre (2006-2011). A member of the Executive Committee of the SNCF French railways company, Yves Tyrode served as Managing Director of the Voyages-sncf.com group from 2011 to 2014 before taking charge of SNCF's digital activities from 2014 to 2016.

Since October 2016, Yves Tyrode has been a member of Groupe BPCE's Executive Management Committee in his capacity as the Group's Chief Digital Officer and then, from June 2019, as Chief Innovation, Data & Digital Officer.

Yves Tyrode is currently Chief Digital, Innovation & Data Officer, and Head of the Payments activity (October 2021) and President of Oney Bank.

Biography of Christine Jacglin

Christine Jacglin is a graduate of the Institut d'Etudes Politiques de Paris (IEP) and holds a degree in Contemporary History from Charles de Gaulle-Lille University. She joined Groupe BPCE in 1987, first as an auditor in the Inspection Générale department and then as head of mission. From 1994 to 2000, she held various positions (Organization, Finance and Secretary General) within BPCE Factor. In 2000, she joined Banque Populaire Rives de Paris where she was successively Secretary General, Director of Development and Head of Operations. In 2011, she was appointed Chief Executive Officer of Banque Populaire d'Alsace and then, in 2015, Chief Executive Officer of Crédit Coopératif, where she led the development and transformation project of the social and solidarity economy bank.

Since November 2019, Christine Jacglin was Chief Executive Officer of Banque Palatine.

Biography of Géraud Brac de La Perrière

A graduate of the HEC business school and former student at the ENA National School of Administration, Géraud Brac de La Perrière began his career in 1983 as an Inspector General in the French Finance Ministry (Inspection Générale des Finances). He joined the Indosuez Group (now CACIB) in 1987, where he held various positions both in France and abroad, notably in capital market activities. He then moved to the AGF-Allianz Group in 1996 where he managed, until 2010, the French asset management activities for third parties within the framework of Allianz Global Investors. He also supervised the group's banking activities in France. Géraud Brac de La Perrière was appointed Head of the Group Inspection Générale and a member of Groupe BPCE's Executive Committee on September 1st, 2010. As Head of the Group Inspection Générale, he also coordinated the relations with the French Prudential Supervisory Authority (ACPR) and, since the creation of the Single Supervisory Mechanism, relations with the supervision teams of the European Central Bank. Since January 1st, 2019, he has served as Chief Risk Officer and a member of Groupe BPCE's Executive Management Committee.

About Groupe BPCE

Groupe BPCE, with its business model as a universal cooperative bank represented by 9 million cooperative shareholders, is currently the 2nd-largest banking group in France. With its 105,000 employees, it serves a total of 36 million customers – individuals, professionals, corporates, investors, and local government bodies – around the world. It operates in the retail banking and insurance sectors in France via its two major Banque Populaire and Caisse d'Epargne banking networks, along with Banque Palatine. With Natixis, it also runs global business lines specializing in Asset & Wealth management, Corporate & Investment Banking, Insurance and Payments. Through this structure, it is able to offer its customers a comprehensive, diversified range of products and services: solutions in savings, investment, cash management, financing, and insurance. The Group's financial strength is recognized by four financial rating agencies: The Group's financial strength is recognized by four financial rating agencies: Moody's (A1, outlook stable), Standard & Poor's (A, outlook stable), Fitch (A+, RWN) and R&I (A+, outlook positive).

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CERTAIN ASPECTS OF GOVERNMENTAL SUPERVISION AND REGULATION OF THE ISSUER IN FRANCE

Words and expressions defined under the “Terms and Conditions of the Notes” section shall have the same meanings in this section.

The French Supervisory Banking Authorities

In France, the *Autorité de contrôle prudentiel et de résolution* (“ACPR”) was created in July 2013 to supervise financial institutions and insurance firms and be in charge of ensuring the protection of consumers and the stability of the financial system. On 15 October 2013, the European Union adopted Regulation (EU) No. 1024/2013 establishing a single supervisory mechanism for credit institutions of the euro-zone and opt-in countries (the “**ECB Single Supervisory Mechanism**”), which has conferred specific tasks to the European Central Bank (the “**ECB**”) concerning policies relating to the prudential supervision of credit institutions. This European regulation has given to the ECB, in conjunction with the relevant national regulatory authorities, direct supervisory authority for certain European credit institutions and banking groups, including Groupe BPCE.

Since 4 November 2014, the ECB has fully assumed supervisory tasks and responsibilities within the framework of the ECB Single Supervisory Mechanism, in close cooperation, in France, with the ACPR (each of the ACPR and the ECB is hereinafter referred to as a “**Supervisory Banking Authority**”), as follows:

- The ECB is exclusively competent to carry out, for prudential supervisory purposes, the following tasks in relation to all credit institutions, regardless of the significance of the credit institution concerned:
 - to authorize credit institutions and to withdraw authorization of credit institutions; and
 - to assess notifications of the acquisition and disposal of qualifying holdings, in other credit institutions, except in the case of a bank resolution.
- The other supervisory tasks are performed by both the ECB and the ACPR, their respective supervisory roles and responsibilities being allocated on the basis of the significance of the supervised entities, with the ECB directly supervising significant banks, such as Groupe BPCE, while the ACPR is in charge of the supervision of the less significant entities. These supervisory tasks include, *inter alia*, the following:
 - to ensure compliance with all prudential requirements laid down in general EU banking rules for credit institutions in the areas of own funds requirements, securitization, large exposure limits, liquidity, leverage, reporting and public disclosure of information on such matters;
 - to carry out supervisory reviews, including stress tests and their possible publication, and on the basis of this supervisory review, to impose where necessary on credit institutions higher prudential requirements to protect financial stability under the conditions provided by EU law;
 - to impose robust corporate governance practices (including the fit and proper requirements for the persons responsible for the management process, internal control mechanisms, remuneration policies and practices) and effective internal capital adequacy assessment processes; and
 - to carry out supervisory tasks in relation to recovery plans, and early intervention where credit institutions or groups do not meet or are likely to breach the applicable prudential requirements, including structural changes required to prevent financial stress or failure but excluding, however, resolution measures.
- The ACPR may apply requirements for capital buffers to be held by credit institutions at the relevant level, in addition to own funds requirements (including countercyclical buffer rates). If deemed necessary, the ECB may, instead of the ACPR but by cooperating closely with it, apply such higher requirements.

The Resolution Authority

In France, the ACPR is in charge of implementing measures for the prevention and resolution of banking crises, including, but not limited to, the Bail-In Tool described below. See “—*Resolution Measures*” below.

Since 1 January 2016, a single resolution board (the “**Single Resolution Board**”) was established by Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a single resolution mechanism and a single resolution fund (the “**Single Resolution Mechanism Regulation**”), as amended (including, by Regulation (EU) No. 2019/877 dated 20 May 2019 (the “**Single Resolution Mechanism Regulation II**”). The Single Resolution Mechanism Regulation II amends the Single Resolution Mechanism Regulation as regards the loss absorbing and recapitalization capacity of credit institutions and investment firms; it came into force on 27 June 2019 and is

applicable since 28 December 2020). The Single Resolution Board, together with national authorities, are in charge of resolution planning and preparation of resolution decisions for cross-border credit institutions and banking groups as well as credit institutions and banking groups directly supervised by the ECB, such as the Groupe BPCE. The ACPR remains responsible for implementing the resolution plan according to the Single Resolution Board's instructions.

The “**Relevant Resolution Authority**” shall mean the ACPR, the Single Resolution Board and/or any other authority entitled to exercise or participate in the exercise of any bail-in power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

Banking Regulations

In France, credit institutions such as the Issuer must comply with the norms of financial management set by the Minister of Economy, the purpose of which is to ensure the creditworthiness and liquidity of French credit institutions. These banking regulations are mainly derived from EU directives and regulations. Banking regulations implementing the Basel III reforms were adopted on 26 June 2013:

- Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the “**CRD IV Directive**”, as amended or replaced from time to time (including by Directive (EU) No. 2019/878 dated 20 May 2019 of the European Parliament and of the Council (the “**CRD V Directive**”)); and
- Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the “**CRR**”, as amended or replaced from time to time, including, without limitation, by Regulation (EU) No. 2019/876 dated 20 May 2019 of the European Parliament and of the Council (the “**CRR II**”) and Regulation (EU) No. 2020/873 of the European Parliament and of the Council).

Credit institutions such as the Issuer must comply with minimum capital and leverage ratio requirements. In addition to these requirements, the principal regulations applicable to credit institutions such as the Issuer concern risk diversification, liquidity, monetary policy, restrictions on equity investments and reporting requirements. As of the date hereof, in the various countries in which the Issuer and its subsidiaries operate, they comply with the specific regulatory ratio requirements in accordance with procedures established by the relevant supervisory authorities.

Minimum capital and leverage ratio requirements

French credit institutions are required to maintain minimum capital to cover their credit, market, counterparty and operational risks. Pursuant to the CRR II, credit institutions, such as the Groupe BPCE, are required to maintain a minimum total capital ratio of 8%, a minimum tier 1 capital ratio of 6% and a minimum common equity tier 1 ratio of 4.5%, each to be obtained by dividing the institution's relevant eligible regulatory capital by its risk-weighted assets (also called Pillar 1 capital requirements).

Pursuant to the CRD V Directive, the Supervisory Banking Authority may also require French credit institutions to maintain additional capital in excess of the requirements described above (also called Pillar 2 capital requirements) under the conditions set out in the CRD V Directive, and in particular on the basis of a supervisory review and evaluation process (“**SREP**”) to be carried out by the competent authorities.

The European Banking Authority (“**EBA**”) published guidelines on 19 December 2014 addressed to competent authorities on common procedures and methodologies for the SREP which contained guidelines proposing a common approach to determine the amount and composition of additional own funds requirements. Under these guidelines, competent authorities should set a composition requirement for the additional own funds requirements to cover certain risks of at least 56% common equity tier 1 capital and at least 75% tier 1 capital.

The guidelines also contemplate that competent authorities should not set additional own funds requirements in respect of risks which are already covered by capital buffer requirements and/or additional macro-prudential requirements; and, accordingly the “combined buffer requirement” is in addition to the minimum own funds requirement and to the additional own funds requirement.

French credit institutions also have to comply with other common equity tier 1 buffers to cover countercyclical and systemic risks. After having raised the rate of the countercyclical buffer from 0% to 0.25% in June 2018 (applicable as from 1 July 2019), the High Council for Financial Stability (*Haut Conseil de Stabilité Financière*) (“**HCSF**”) further raised the countercyclical buffer from 0.25% to 0.5% in a decision dated 2 April 2019 (applicable as from 2 April 2020) and confirmed the rate on 10 July 2019, on 7 October 2019 and on 13 January 2020.

However, following the outbreak of COVID-19, the *Banque de France* announced on 13 March 2020 that it would propose a complete relaxation of the countercyclical buffer from 0.5% to 0% to address the emergency situation resulting from the outbreak. Further to this announcement, the HCSF decided on 1 April 2020 to lower the countercyclical buffer rate to 0% as from 2 April 2020, thereby enabling banks to use this buffer that had already been constituted to address the emergency situation arising from the COVID-19 pandemic. On 1 July 2021, the HCSF decided to maintain the countercyclical buffer rate at 0% until further notice.

In accordance with the CRR II, each institution is also required to maintain a 3% minimum leverage ratio since 28 June 2021 *i.e.* two years from the entry into force of the CRR II, defined as an institution's tier 1 capital divided by its total exposure measure. Further, each institution that is a G-SIB will be required to comply with an additional buffer requirement (equal to the G-SIB total exposure measure used to calculate the leverage ratio multiplied by 50% of the applicable G-SIB buffer rate) over the minimum leverage ratio as from 1 January 2023 (following the deferral of the application date initially set on 1 January 2022 by the Regulation (EU) 2020/873 of the European Parliament and of the Council amending the CRR II as regards certain adjustments in response to the COVID-19 pandemic. See "*Regulatory Responses to the COVID-19 pandemic*" below for further information.

Non-compliance with these minimum capital requirements (including Pillar 1, Pillar 2 and capital buffer requirements) may result in distribution restrictions (including restrictions on the payment of dividends, additional tier 1 coupons and variable compensation). Such distribution restrictions may also apply in the case of non-compliance with capital ratio buffers in addition to the minimum MREL requirements (see "*MREL and TLAC*" below) or, as from 1 January 2023 with the G-SIBs leverage ratio buffer.

Resolution Measures

On 15 May 2014, the European Parliament and the Council of the European Union adopted Directive No. (EU) 2014/59, establishing an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**"). The stated aim of the BRRD is to provide relevant resolution authorities (being in respect of the Issuer and the Groupe BPCE, either the ECB or the ACPR) with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses. The BRRD was implemented in France through a decree-law (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) dated 20 August 2015, ratified on 9 December 2016. Directive (EU) No. 2019/879 dated 20 May 2019 (the "**BRRD II**", which entered into force on 28 December 2020), which amends the BRRD as regards to the loss absorbing and recapitalisation capacity of credit institutions and investment firms, was published in the Official Journal of the European Union on 7 June 2019 and came into force on 27 June 2019.

BRRD II has been implemented in France through the Ordinance No. 2020-1636 dated 21 December 2020 relating to the resolution regime in the banking sector implementing (the "**Ordinance**"). In particular, the Ordinance has implemented Article 48(7) of BRRD II which requires EU member states to modify their national insolvency law to ensure that claims resulting from funds rank in insolvency below any other claims that do not result from own funds as defined by the CRR (hereafter the "**Own Funds**"). The transposition of this provision by the Ordinance has modified the rules governing the order of creditors' claims applicable to French credit institutions in insolvency proceedings. Subordinated obligations and deeply subordinated obligations of the Issuer issued before the entry into force of those provisions will keep their contractual ranking if they are, or have been, fully or partially recognized as Own Funds.

A new article L.613-30-3, I, 5° of the French *Code monétaire et financier*, states that, as from 28 December 2020, it should not be possible for liabilities of a credit institution that are not Own Funds to rank *pari passu* with Own Funds.

Therefore, a new rank within subordinated obligations has been created for subordinated obligations or deeply subordinated obligations of the Issuer, issued as from 28 December 2020 if and when they are fully excluded from Tier 2 Capital or additional tier 1 capital instruments of the Issuer, ranking in priority to Tier 2 Capital instruments and additional tier 1 capital instruments of the Issuer in order to comply with article L.613-30-3, I, 5° of the French *Code monétaire et financier*.

Therefore, as long as subordinated notes are treated for regulatory purposes as Tier 2 Capital instruments, they will rank as Qualifying Subordinated Notes, and, if and when they are fully excluded from Tier 2 Capital, they will automatically rank as Disqualified Subordinated Notes, as provided in the status provisions provided for in Condition 4 (*Status of the Notes*), without any action from the Issuer and without obtaining the consent of the holders of Subordinated Notes or any other Notes.

All subordinated notes or deeply subordinated notes issued by the Issuer prior to the date of entry into force of the Ordinance that are, or have been, fully or partially recognized as Own Funds of the Issuer, rank and as long as they are outstanding will rank as Tier 2 Capital instruments or additional tier 1 capital instruments of the Issuer as the case may be, in accordance with their contractual terms.

Resolution

Under the BRRD and the BRRD II, the Relevant Resolution Authority (see “—*The Resolution Authority*” above) may commence resolution procedures in respect of an institution when the Relevant Resolution Authority determines that:

- the institution is failing or likely to fail (on the basis of objective elements);
- there is no reasonable prospect that another action will prevent the failure within a reasonable time; and
- a resolution measure is required, and a liquidation procedure would fail, to achieve the objectives of the resolution: (i) to ensure the continuity of critical functions, (ii) to avoid a significant adverse effect on the financial system, (iii) to protect public funds by minimizing reliance on extraordinary public financial support, and (iv) to protect client funds and assets, and in particular those of depositors.

Failure of an institution means that it does not respect requirements for continuing authorization, it is unable to pay its debts or other liabilities when they fall due, it requires extraordinary public financial support (subject to limited exceptions) or the value of its liabilities exceeds the value of its assets.

After resolution procedures are commenced, the Relevant Resolution Authority may use one or more of several resolution tools with a view to recapitalizing or restoring the viability of the institution, as described below. Resolution tools are to be implemented so that shareholders bear losses first, then holders of capital instruments qualifying as additional tier 1 instruments and Tier 2 Capital instruments (such as the Qualifying Subordinated Notes), and thereafter creditors bear losses in accordance with the order of their claims in normal insolvency proceedings, subject to certain exceptions. French law also provides for certain safeguards when certain resolution tools and measures are implemented including the “no creditor worse off than under normal insolvency proceedings” principle, whereby creditors of the institution under resolution should not incur greater losses than they would have incurred had the institution been wound up under a liquidation proceeding.

Limitation on Enforcement

Article 68 of the BRRD, as transposed in France, provides that certain crisis prevention measures and crisis management measures, including the opening of a resolution procedure in respect of the Issuer, may not by themselves give rise to a contractual enforcement right against the Issuer or the right to modify the Issuer’s obligations, so long as the Issuer continues to meet its payment obligations. Accordingly, if a resolution procedure is opened in respect of the Issuer, holders of the Notes will not have the right to take enforcement actions or to modify the terms of the Notes so long as the Issuer continues to meet its payment obligations, although such rights are in any event limited by the absence of events of default under the Notes.

The BRRD II extends this requirement to the suspension of payment and delivery obligations decided by the Relevant Resolution Authority.

The financial solidarity mechanism

The provisions described above on the resolution procedures and the enforcement of crisis prevention measures and crisis management measures in respect of the Issuer, should be read in light of the Groupe BPCE’s financial solidarity mechanism.

For Groupe BPCE, all entities affiliated with the central institution of Groupe BPCE benefit from a guarantee and solidarity mechanism (described in section “Information about the Issuer” of this Prospectus), the aim of which, in accordance with Articles L.511-31 and L.512-107-6 of the French *Code monétaire et financier*, is to ensure the liquidity and solvency of all affiliated entities and to organize financial solidarity throughout the Groupe BPCE.

This financial solidarity is rooted in legislative provisions instituting a legal solidarity system requiring the central institution to restore the liquidity or solvency of struggling affiliates and/or of all Groupe BPCE’s affiliates, by mobilising if necessary up to all cash and cash equivalents and capital available to all contributing affiliates. As a result of this complete legal solidarity, one or more affiliates may not find itself subject to court-ordered liquidation, or be affected by resolution measures within the meaning of BRRD, without all affiliates also being affected.

In the event of court-ordered liquidation thus necessarily affecting all affiliates, the external creditors of all affiliates would be addressed identically according to their rank and in the order of the ranking of creditors, irrespective of their ties with any specific entity.

Write-Down and Conversion of Capital Instruments

Capital instruments may be written down or converted to equity or other instruments either in connection with (and prior to) the opening of a resolution procedure, or in certain other cases described below (without a resolution procedure).

Capital instruments for these purposes include common equity tier 1, additional tier 1 instruments and Tier 2 Capital instruments (such as the Qualifying Subordinated Notes).

The Relevant Resolution Authority must write down capital instruments, or convert them to equity or other instruments, if it determines that the conditions for the initiation of a resolution procedure have been satisfied, the viability of the issuing institution or its group depends on such write-down or conversion, or the issuing institution or its group requires extraordinary public support (subject to certain exceptions). The principal amount of capital instruments may also be written down or converted to equity or other instruments if (i) the issuing institution or the group to which it belongs is failing or likely to fail and the write-down or conversion is necessary to avoid such failure, (ii) the viability of the institution depends on the write-down or conversion (and there is no reasonable perspective that another measure, including a resolution measure, could avoid the failure of the issuing institution or its group in a reasonable time), or (iii) the institution or its group requires extraordinary public support (subject to certain exceptions). The failure of an issuing institution is determined in the manner described above. The failure of a group is considered to occur or be likely if the group breaches its consolidated capital ratios or if such a breach is likely to occur in the near term, based on objective evidence (such as the incurrence of substantial losses that are likely to deplete the group's own funds).

If one or more of these conditions is met, common equity tier 1 instruments are first written down, transferred to creditors or, if the institution enters resolution and its net assets are positive, significantly diluted by the conversion of other capital instruments and eligible liabilities. Once this has occurred, other capital instruments (first additional tier 1 instruments, then Tier 2 Capital instruments (such as the Qualifying Subordinated Notes)) are either written down or converted to common equity tier 1 instruments or other instruments (which are also subject to possible write-down).

The Bail-In Tool

Once a resolution procedure is initiated, the powers provided to the Relevant Resolution Authority include the “**Bail-In Tool**”, meaning the power to write down bail-inable liabilities of a credit institution in resolution, or to convert them to equity. Bail-inable liabilities include all non-excluded liabilities, including subordinated debt instruments not qualifying as capital instruments, unsecured senior non-preferred debt instruments (such as the senior non-preferred Notes issued by the Issuer under the Programme) and unsecured senior preferred debt instruments (such as the senior preferred notes issued by the Issuer under the Programme). The Bail-In Tool may also be applied to any liabilities that are capital instruments and that remain outstanding at the time the Bail-In Tool is applied.

Before the Relevant Resolution Authority may exercise the Bail-In Tool in respect of bail-inable liabilities, capital instruments must first be written down or converted to equity or other instruments, in the following order of priority: (i) common equity tier 1 instruments are to be written down first, (ii) additional tier 1 instruments are to be written down or converted into common equity tier 1 instruments and (iii) Tier 2 Capital instruments are to be written down or converted to common equity tier 1 instruments. Once this has occurred, the Bail-In Tool may be used to write down or convert bail-inable liabilities as follows: (i) subordinated debt instruments other than capital instruments (including Disqualified Subordinated Notes issued on or after 28 December 2020 if and when they are fully excluded from Tier 2 Capital instruments and deeply subordinated obligations issued on or after 28 December 2020 if and when they are fully excluded from additional tier 1 instruments) are to be written down or converted into common equity tier 1 instruments in accordance with the hierarchy of claims in normal insolvency proceedings, and (ii) other bail-inable liabilities (including the senior non-preferred Notes issued by the Issuer under the Programme) and unsecured senior preferred debt instruments (such as the senior preferred notes issued by the Issuer under the Programme) are to be written down or converted into common equity tier 1 instruments, in accordance with the hierarchy of claims in normal insolvency proceedings (for which purpose, in the case of the Issuer, senior nonpreferred Notes rank junior to senior preferred notes issued by the Issuer under the Programme).

As a result of the foregoing, even if Qualifying Subordinated Notes are not fully written down or converted prior to the opening of a resolution procedure, if the Relevant Resolution Authority decides to implement the Bail-In Tool as part of the implementation of resolution, the principal amount of such Tier 2 Capital instruments (including instruments such as the Qualifying Subordinated Notes) must first be fully written down or converted to equity. In addition, common equity tier 1 instruments into which Tier 2 Capital instruments (including instruments such as the Qualifying Subordinated Notes) were previously converted could also be written down as a result of the application of the Bail-in Tool.

The exercise of the Bail-In Tool could also result in the full (*i.e.*, to zero) or partial write-down or conversion of the Notes into ordinary shares or other instruments of ownership.

Other resolution measures

In addition to the Bail-In Tool, the Relevant Resolution Authority is provided with broad powers to implement other resolution measures with respect to failing institutions or, under certain circumstances, their groups, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments,

modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal and/or replacement of directors and/or of managers or the appointment of a temporary administrator (*administrateur spécial*) and the issuance of new equity or own funds.

When using its powers, the Relevant Resolution Authority must take into account the situation of the concerned group or institution under resolution and potential consequences of its decisions in the concerned EU member states.

The Single Resolution Fund

The Single Resolution Mechanism Regulation provides for the establishment of a single resolution fund that may be used by the Single Resolution Board to support a resolution plan (the “**Single Resolution Fund**”). The Single Resolution Fund has replaced national resolution funds implemented pursuant to the BRRD with respect to significant banks such as the Issuer. This Single Resolution Fund is financed by contributions raised from banks (such contributions are based on the amount of each bank’s liabilities, excluding own funds and covered deposits, and adjusted for risks). The Single Resolution Fund will be gradually built up during an eight-year period (2016-2023) and shall reach at least 1% of covered deposits by 31 December 2023.

MREL and TLAC

To ensure that the Bail-in Tool will be effective if it is ever needed, institutions are required to maintain a minimum level of own funds and eligible liabilities, calculated as a percentage of their own funds and total liabilities based on certain criteria including systemic importance. The percentage will be determined for each institution by the Relevant Resolution Authority. This minimum level is known as the “**minimum requirement for own funds and eligible liabilities**” or “**MREL**” and is to be set in accordance with Articles 45 *et seq.* of the BRRD II, Article 12 of the Single Resolution Mechanism and Commission Delegated Regulation (EU) No. 2016/1450 of 23 May 2016, as amended from time to time (together, the “**MREL requirements**”). In accordance with BRRD II, the deadline for institutions to comply with the MREL requirements will be 1 January 2024, unless the Resolution Authorities set a longer transitional period on the basis of criteria set forth in the BRRD II. In addition, the Resolution Authorities will determine intermediate target levels for MREL that credit institutions shall comply with at 1 January 2022, to ensure a linear build-up of capital and eligible liabilities towards the requirement. In this context and following the outbreak of the COVID-19 pandemic, the Single Resolution Board announced on 25 March 2020 to the banks that it stands ready to adjust MREL targets in line with capital requirements to take into account COVID-19 relief measures.

On 9 November 2015, the Financial Stability Board (the “**FSB**”) proposed in a document entitled “*Principles of Loss-absorbing and Recapitalisation Capacity of G-SIBs in Resolution*” (the “**FSB TLAC Term Sheet**”) that G-SIBs, such as the Groupe BPCE, maintain significant amounts of liabilities that are subordinated (by law, contract or structurally) to certain priority liabilities that are excluded from these so-called “**TLAC**” (or “**total loss-absorbing capacity**”) requirements, such as guaranteed or insured deposits and derivatives. The TLAC requirements are intended to ensure that losses are absorbed by shareholders and creditors, other than creditors in respect of excluded liabilities, rather than being borne by government support systems. The TLAC requirement imposes a level of “Minimum TLAC” determined individually for each G-SIB, in an amount at least equal to (i) 16% of risk-weighted assets through 1 January 2022 and 18% thereafter, and (ii) 6% of the Basel III leverage ratio denominator through 1 January 2022 and 6.75% thereafter (each of which could be extended by additional firm-specific requirements or buffer requirements).

On 11 November 2020, the FSB, in consultation with the Basel Committee on Banking Supervision and national authorities, published the 2020 list of G-SIBs. Groupe BPCE was included on the list as a G-SIB according to the FSB evaluation framework. Therefore, the TLAC requirements will, when adopted and implemented in France, apply to Groupe BPCE, in addition to other applicable capital requirements. Even though TLAC and MREL pursue the same regulatory objective, their respective requirements and criteria differ.

The CRR II, the CRD V Directive and the BRRD II give effect to the FSB TLAC Term Sheet, as amended from time to time, and modify the requirements applicable to MREL by implementing and integrating the TLAC requirements into the general MREL rules thereby avoiding duplication from the application of two parallel requirements and ensuring that both requirements are met with largely similar instruments. Under CRR II, G-SIBs, such as the Groupe BPCE, are required to comply with the two Minimum TLAC requirements mentioned above, in an amount at least equal to (i) 16% of the total risk exposure through 1 January 2022 and 18% thereafter, and (ii) 6% of the total exposure measure through 1 January 2022 and 6.75% thereafter (*i.e.* a Pillar 1 requirement). The BRRD II also provides that Resolution Authorities will be able, on the basis of bank-specific assessments, to require that G-SIBs comply with a supplementary MREL requirement (*i.e.*, a Pillar 2 add-on requirement).

The CRR II also allows liabilities that rank *pari passu* with certain TLAC excluded liabilities (such as the senior preferred notes issued by the Issuer under the Programme) under certain circumstances to count towards the minimum TLAC requirements in an amount up to 2.5% of the total risk exposure until 31 December 2021 and up to 3.5% thereafter.

Regulatory Responses to the COVID-19 pandemic

In response to the outbreak of the COVID-19 pandemic, specific mitigation measures were announced and implemented to address the economic impacts of the pandemic on the European banking sector. Given that these and other European and national response measures continue to evolve in response to the spread of the virus, this discussion is presented as of the date of this Prospectus and the situation may change, possibly significantly, at any time.

Supporting measures

The ECB announced a number of measures to ensure that its directly EU banks under its supervision can continue to fulfil their role in funding the real economy as the economic effects of the COVID-19 pandemic become apparent.

In particular, the ECB announced on 12 March 2020 and 30 April 2020 the introduction of additional longer-term refinancing operations and the adoption of more favourable terms to existing longer term refinancing operations, together with the introduction of an additional €120 billion of net asset purchases to be distributed until the end of 2020.

Further, on 18 March 2020, the ECB decided to launch a new €750 billion pandemic emergency purchase program (“PEPP”) of public and private sector securities to counter the serious effects of the COVID-19 outbreak and the escalating spread of the COVID-19 pandemic. The PEPP includes all asset categories eligible under the pre-existing asset purchase program and also expands the categories of eligible assets. The PEPP will last until the ECB’s governing council determines the COVID-19 crisis is over, but in any case not before the end of 2020. In addition, the ECB adopted on 7 April 2020 a package of temporary collateral easing measures linked to the duration of the PEPP in order to facilitate the availability of eligible collateral to participate in liquidity providing operations to encourage an increase in bank funding. On 20 April 2020, the *Banque de France* complemented such measures by, *inter alia*, enlarging the scope of eligible credit claims within its jurisdiction.

Finally, on 22 April 2020, the ECB implemented measures to mitigate the impact of possible rating downgrades on collateral availability.

At a national level, legislation and regulatory action have also been adopted in France in response to the COVID-19 crisis. This includes, among other things, a €300 billion program of State guarantees for loans to French businesses and the suspension of certain taxes and social charges, as well as partial subsidies for businesses that pay employees who are unable to work on a full-time basis. A law, the draft of which has been submitted to the French parliament on 28 April 2021, for the purpose of organizing the exit from the state of health emergency, is expected to set up a transitional period from 2 June 2021 to October 2021 during which the government will be authorized to take transitional measures to deal with the COVID-19 pandemic until the end of the state of health emergency.

Capital relief measures

On 12 March 2020, the ECB announced (i) the possibility for EU banks and financial institutions to temporarily operate below the capital requirements set forth in the Pillar 2 guidance and to cover their Pillar 2 requirements partially with capital instruments other than CET1 (*i.e.* with lower ranking capital instruments, such as additional tier 1 or Tier 2 Capital instruments), thus bringing forward a measure in CRD V that should have come into effect in January 2021, (ii) the possibility for individualised relief measures to be agreed to between EU banks and the ECB, such as rescheduling on-site inspections and extending deadlines for the implementation of remediation actions stemming from recent on-site inspections, and (iii) the possibility for EU banks to operate below the requirements set forth under the capital conservation buffer and under the liquidity coverage ratio rules. On 22 September 2020, the ACPR extended this recommendation to EU banks under its supervision.

In addition, Regulation (EU) 2020/873 of the European Parliament and of the Council amending the CRR II as regards certain adjustments in response to the COVID-19 pandemic, which entered into force on 27 June 2020 (subject to one provision which entered into force on 28 June 2021), purports to improve EU banks’ capacity to lend and to absorb losses related to the COVID-19 pandemic and, *inter alia*, defers the application date for the leverage ratio buffer applicable to G-SIBs to 1 January 2023.

At a national level, the *Banque de France* announced on 13 March 2020 in its response to the COVID-19 pandemic that it would propose a complete relaxation of the countercyclical buffer from 0.5% to 0% to address the emergency situation resulting from the outbreak. Further to this announcement, the HCSF decided on 1 April 2020 to lower the countercyclical buffer rate to 0% as from 2 April 2020, thereby enabling French banks to use this buffer that had already been constituted to address the emergency situation arising from the COVID-19 pandemic. On 1 July 2021, the HCSF decided to maintain the countercyclical buffer rate at 0% until further notice.

Supervisory measures

In its statement on 12 March 2020, the EBA announced that it would postpone EU-wide stress tests to 2021 in order to allow EU banks to prioritize operational continuity, including support for their customers. The EBA recommended that competent national authorities plan supervisory activities in a pragmatic and flexible way and where possible, postpone deadlines for required reporting without affecting the reporting of crucial information needed to monitor closely bank's financial and prudential situation. A final decision on potential changes to the EU-wide stress framework is expected to be taken by the EBA in the third quarter of 2021, while the implementation of any potential change is expected to be possible for the 2023 EU-wide stress test at the earliest. On 29 January 2021, the EBA launched the 2021 EU-wide stress test exercise. The adverse scenario of this test is based on a prolonged COVID-19 scenario in a "lower for longer" interest rate environment, in which negative confidence shocks would prolong the economic contraction. The EBA published the results of the exercise by on 30 July 2021. Under a very severe scenario, the EU banking sector would stay above a common equity tier one ratio of 10%, with a capital depletion of EUR 265 billion against a starting common equity tier one ratio of 15% and credit losses, like in previous such exercises, would explain most of the capital depletion. The "lower-for-longer" scenario narrative would also result in a significant decrease in the contribution of profits from continuing operations, especially from net interest income. This EU-wide stress test has been conducted on a sample of 50 EU banks, including 38 from countries under the jurisdiction of the single supervisory mechanism and covers roughly 70% of total banking sector assets in the European Union and Norway, as expressed in terms of total consolidated assets as of end 2019.

TAXATION

The following is an overview limited to certain French tax considerations relating to the Notes, including information on certain French withholding tax rules. This overview is based on the laws of France as of the date of this Prospectus and is subject to any changes in law and/or interpretation hereof that may take effect after such date (potentially with retroactive effect). It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective Noteholder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes.

French Taxation

The Issuer considers the Notes to be debt for French tax purposes based on their characteristics and accounting treatment and therefore that the payments under the Notes will be fully deductible, subject to the general restriction on the tax deductibility set out by the French tax law and notably to the limits set out *inter alia* in Article 212 *bis* of the French *Code général des impôts*, and the following overview is presented on that basis. The legislative history connected with the French Parliament's approval in 2003 of the statute under which the Notes will be issued supports the characterization as debt of deeply subordinated debt obligations that are otherwise treated as equity by regulators and rating agencies, and the Finance Committee of the French Senate and the Minister of the Economy and Finance took similar positions at the time. However, neither the French courts nor the French tax authorities have, at the date of this Prospectus, expressed a specific position on the tax treatment of the Notes and there can be no assurance that they will express any opinion or that they will take the same view.

French withholding tax

The following is an overview of certain withholding tax considerations that may be relevant to Noteholders who do not concurrently own shares of the Issuer.

Withholding tax applicable to payments made outside France

Payments of interest and other assimilated revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non-coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**”) other than State or territory mentioned at paragraph 2 *bis*, 2° of said Article 238-0 A of the French *Code général des impôts*. If such payments under the Notes are made outside France in a Non-Cooperative State other than State or territory mentioned at paragraph 2 *bis*, 2° of said Article 238-0 A of the French *Code général des impôts*, a 75% withholding tax will be applicable (subject to certain exceptions and to the more favorable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*. The list of Non-Cooperative States is provided by a ministerial decree and may be updated at any time and at least once a year. Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other assimilated revenues on the Notes will not be deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on an account opened or held with a financial institution located in such a Non-Cooperative State (the “**Deductibility Exclusion**”). Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterized as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other assimilated revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, (i) the standard corporate income tax rate set forth in the first sentence of the second paragraph of Article 219-I of the French *Code général des impôts* (*i.e.* 26.5 per cent. for fiscal years beginning as from 1 January 2021, 25% as from January 1, 2022) for holders of the Notes which are non-French resident legal persons for French tax purposes, (ii) a rate of 12.8% for holders of the Notes who are non-French resident individuals for French tax purposes or (iii) at a rate of 75%, subject, if, and irrespective of the holder's residence for tax purposes or registered headquarters, payments are made outside France in a Non-Cooperative State other than those mentioned at paragraph 2 *bis*, 2° of Article 238-0 A of the French *Code général des impôts*, (subject to certain exceptions and to the more favorable provisions of any applicable double tax treaty).

Notwithstanding the foregoing, neither the 75% withholding tax provided by Article 125 A III of the French *Code général des impôts*, nor, to the extent that the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion and the withholding provided under Article 119 *bis* 2 of the French *Code général des impôts* will apply in respect of the Notes if the Issuer can prove that the principal purpose and effect of the issue of Notes were not that of allowing the payments of interest or other assimilated revenues to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-30 dated February 24, 2021 No 150 and BOI-INT-DG-20-50-20 dated February 24, 2021

No 290, the Notes will benefit from the Exception without the Issuer having to provide any proof of the main purpose and effect of the issue of the Notes if the Notes are:

- (A) offered by means of a public offer within the meaning of Regulation EU 2017/1129 as referred to in Article L. 411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than in a Non-Cooperative State. For this purpose, an “**equivalent offer**” means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; and/or
- (B) admitted to trading on a French or foreign regulated market or on a French or foreign multilateral securities trading system, provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; and/or
- (C) admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Consequently, payments of interest and other assimilated revenues made by the Issuer under the Notes are not subject to the withholding tax set out under Article 125 A III or Article 119 *bis* 2 of the French *Code général des impôts* and the Deductibility Exclusion does not apply to such payments.

Withholding tax applicable to individuals fiscally domiciled in France

Pursuant to Article 125 A of the French *Code général des impôts*, subject to certain exceptions, interest and other assimilated revenue received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8% withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at a global rate of 17.2% on such interest and other assimilated revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France.

Withholding tax applicable to corporations fiscally domiciled in France

There is no withholding tax on payments made to corporations fiscally domiciled in France assuming payments are made in a French account.

The Foreign Account Tax Compliance Act (FATCA) withholding

As a financial institution, the Issuer is, in certain circumstances, able to pass on any tax liabilities to holders of the Notes and therefore this may result in investors receiving less than expected in respect of the Notes. The FATCA withholding could be payable in relation to relevant transactions by investors in respect of the Notes if conditions for a charge to arise are satisfied. Investors should consider the possible FATCA withholding risk in light of other investments available at that time and consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them.

SUBSCRIPTION AND SALE

Natixis (the “**Sole Structuring Advisor and Sole Bookrunner**”), Credit Suisse Bank (Europe), S.A. and HSBC Continental Europe (the “**Joint-Lead Managers**”) and KBC Bank NV and La Banque Postale (the “**Co-Lead Managers**”), together with the Sole Structuring Advisor and Sole Bookrunner and the Joint-Lead Managers, the “**Managers**”) have, by virtue of a Subscription Agreement dated 11 October 2021 (the “**Subscription Agreement**”), agreed to procure subscribers for (i) the 2042 Notes at the issue price of 99.677% of the principal amount of the 2042 Notes and (ii) for the 2046 Notes at the issue price of 99.316% of the principal amount of the 2046 Notes. The Issuer will pay a commission to the Managers pursuant to the Subscription Agreement. The Issuer will also reimburse the Managers in respect of certain of its expenses and has agreed to indemnify the Managers against certain liabilities incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment to the Issuer.

Selling Restrictions

Prohibition of Sales to EEA Retail Investors

Each Manager has represented and agreed, 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 Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive 2016/97/EU, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”); and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

United States

The Notes have not been and will not be registered under the Securities Act, or any State Securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. persons 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.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any Manager (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

United Kingdom

Prohibition of Sales to UK Retail Investors

Each Manager has represented and agreed, 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 Prospectus 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 more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of

Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or

- (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”); and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes

Other regulatory restrictions

Each Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, each Manager has represented and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver any Notes in the Republic of Italy (“**Italy**”) and that copies of this Prospectus or any other document relating to the offering of the Notes have not and will not be distributed in Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of the Legislative Decree No. 58 of 24 February 1998, as amended (the “**Consolidated Financial Services Act**”) and/or Italian CONSOB regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Moreover, and subject to the foregoing, any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the offering of the Notes in Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Consolidated Financial Services Act, Legislative Decree No. 385 of 1 September 1993, as amended from time to time (the “**Banking Act**”) and CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time; and
- (ii) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time.

Any investor purchasing the Notes in this offering is exclusively responsible for ensuring that any offer or resale of the Notes it purchased in this offering occurs in compliance with applicable laws and regulations.

Where no exemption from the rules on public offerings applies, the Notes which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are “systematically” distributed on the secondary market in Italy become subject to the public offer and the prospectus requirement rules provided under the Prospectus Regulation and the applicable Italian laws. Pursuant to Article 100-bis of the Consolidated Financial Services Act, failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.

Belgium

The Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available, “consumers” (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Manager has represented and agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re offering or re sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Act and other relevant laws, ministerial guidelines and regulations of Japan.

Hong Kong

This Prospectus has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong.

Each Manager has represented, warranted and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are “structured products” within the meaning of the Securities and Futures Ordinance (Cap 571) of Hong Kong) other than (i) to “professional investors” as defined in the Securities and Futures Ordinance of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) and any rules made under that Ordinance.

Singapore

Each Manager has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented, warranted and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- (c) securities or securities-based derivative contracts (each term as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:
 - (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

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

General

Neither the Issuer nor any Manager makes any representation that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required.

Each Manager has represented and agreed 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 Prospectus or any other offering material and neither the Issuer nor any other Manager shall have responsibility therefore.

GENERAL INFORMATION

AMF approval and admission to trading of the Notes

For the purpose of the admission to trading of the Notes on Euronext Paris, and pursuant to the Prospectus Regulation, the AMF has approved this Prospectus under approval number no. 21-438 on 11 October 2021.

The Prospectus has been approved by the AMF in France in its capacity as competent authority under the Prospectus Regulation. The AMF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made to have the Notes admitted to trading on Euronext Paris on the Issue Date. This Prospectus will be valid until the date of admission of the Notes to trading on Euronext Paris. The obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when the Prospectus is no longer valid.

Consents, Approvals and authorisations

Issues of Notes have been authorised by the resolutions of the Directoire of the Issuer dated 15 March 2021 to issue up to Euro 30,000,000,000 (or its equivalent in another currency) and delegated, for a period of one year, to either Laurent Mignon, *Président* of the Directoire, and with the latter's consent, Nicolas Namias, member of the Directoire, *Directeur Général en charge des Finances et de la Stratégie*, Philippe Jeanne, *Directeur de la Gestion Financière*, Roland Charbonnel, *Directeur des Emissions et de la Communication Financière* or Jean-Philippe Berthault, *Responsable Emissions Groupe* all powers to issue Notes up to a maximum amount of Euro 30,000,000,000 (or its equivalent in another currency) and to determine their terms and conditions.

Significant change in the Issuer's financial position or financial performance

Except as disclosed in this Prospectus, there has been no significant change nor any development reasonably likely to involve a significant change, that is material in the context of the issue of the Notes, in the financial position or financial performance of the Issuer since 31 December 2020, of the Groupe BPCE SA since 30 June 2021 and of the Groupe BPCE since 30 June 2021.

Trend information

Except as disclosed in this Prospectus, there has been no material adverse change in the prospects of the Issuer, the Groupe BPCE SA and/or the Groupe BPCE since the date of their respective last published audited financial statements. Save as disclosed in this Prospectus, no recent events have occurred which are to a material extent relevant to the Issuer's solvency. There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year.

Legal and arbitration proceedings

Except as disclosed in this Prospectus, neither the Issuer nor any member of the Groupe BPCE SA and/or the Groupe BPCE is or has been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.

Material contracts

Except as disclosed in this Prospectus, there are no material contracts entered into otherwise than in the ordinary course of the Issuer's business, which could result in any member of the Groupe BPCE SA and/or the Groupe BPCE 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.

Settlement, Clearance and Trading of the Notes issued under the Programme

The 2042 Notes have been accepted for clearance through Clearstream, Euroclear and Euroclear France with the common code 239595839. The International Securities Identification Number (ISIN) for the 2042 Notes is FR0014005V34. The 2046 Notes have been accepted for clearance through Clearstream, Euroclear and Euroclear France with the common code 239595910. The International Securities Identification Number (ISIN) for the 2046 Notes is FR0014005V67.

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 address of Euroclear France is 66 rue de la Victoire, 75009 Paris, France.

Availability of documents

For so long as the Notes are outstanding, the following documents will, when published, be available during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection (and, may be obtained free of charge) at the office of the Fiscal Agent or each of the Paying Agents:

- the *statuts* of the Issuer;
- the Prospectus;
- the documents incorporated by reference in this Prospectus;
- 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 Prospectus; and
- the audited and unaudited financial information.

The accounts of the Issuer are published on an annual and semi-annual basis. Copies of the audited non consolidated financial statements of the Issuer and of the audited consolidated financial statements of Groupe BPCE and Groupe BPCE SA for the years ended 31 December 2019 and 31 December 2020 may be obtained, and copies of the Agency Agreement will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.

Securities Act - Category 2

The Notes to be issued by the Issuer qualify under Category 2 for the purposes of Regulation S under the Securities Act (“**Regulation S**”).

Statutory Auditors

The statutory auditors of the Issuer (PricewaterhouseCoopers Audit Mazars and Deloitte et Associés), have audited and rendered an unqualified audit report on the accounts of the Issuer for the years ended 31 December 2019 and 2020.

The Annual General Shareholders’ Meeting of BPCE of 24 May 2019, voting under the conditions of quorum and majority applicable to an Ordinary General Shareholders’ Meeting, decided to appoint Mazars for a period of six fiscal years, *i.e.* until the Ordinary General Shareholders’ Meeting to be held in 2025, convened to approve the financial statements for the year ended 31 December 2024.

The Annual General Shareholders’ Meeting of BPCE of 22 May 2015, voting under the conditions of quorum and majority applicable to an Ordinary General Shareholders’ Meeting, decided to appoint PricewaterhouseCoopers Audit for a period of six fiscal years, *i.e.* until the Ordinary General Shareholders’ Meeting to be held in 2021, convened to approve the financial statements for the year ended 31 December 2020.

The Annual General Shareholders’ Meeting of BPCE of 22 May 2015, voting under the conditions of quorum and majority applicable to an Ordinary General Shareholders’ Meeting, decided to appoint *Deloitte et Associés* for a period of six fiscal years, *i.e.* until the Ordinary General Shareholders’ Meeting to be held in 2021, convened to approve the financial statements for the year ended 31 December 2020.

PricewaterhouseCoopers Audit (642 010 045 RCS Nanterre), Mazars (784 824 153 RCS Nanterre) and Deloitte et Associés (572 028 041 RCS Nanterre) are registered as Statutory Auditors, members of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* and under the authority of the *Haut Conseil du Commissariat aux Comptes*. The French auditors carry out their duties in accordance with the principles of *Compagnie Nationale des Commissaires aux Comptes* (CNCC).

Listing fees

The total expenses related to the admission to trading of the 2042 Notes are estimated at EUR 17,000 (including AMF’s fees).

The total expenses related to the admission to trading of the 2046 Notes are estimated at EUR 17,000 (including AMF’s fees).

Yield

The yield on the 2042 Notes until the First Reset Date of the 2042 Notes is 1.565% *per annum*, as calculated on the Issue Date based on the issue price of the 2042 Notes. This is not an indication of future yields.

The yield on the 2046 Notes until the First Reset Date of the 2046 Notes is 2.202% *per annum*, as calculated on the Issue Date based on the issue price of the 2046 Notes. This is not an indication of future yields.

Information sourced from third parties

Where information in this 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.

Stabilisation

In connection with the issue of the Notes, Natixis (the “**Stabilising Manager**”) (or any person acting on behalf of such Stabilising Manager) may (but will not be required to) over-allot the relevant Notes or effect transactions within a specified period, with a view to supporting the market price of the relevant 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 Notes 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 Notes and sixty (60) calendar days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager in accordance with all applicable laws and rules.

The Issuer confirms the appointment of Natixis as the central point responsible for adequate public disclosure of information, and handling any request from a competent authority, in accordance with Article 6(5) of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures.

Certain terms used in this Prospectus

“**Banques Populaires**” means the 14 members of the *Banques Populaires* network (made up of 12 regional banks, CASDEN Banque Populaire and Crédit Coopératif).

“**BFBP**” means the Banque Fédérale des Banques Populaires, a French société anonyme the former central body of the Groupe Banque Populaire.

“**BPCE**” means BPCE, a French société anonyme.

“**Caisses d’Epargne**” means the 15 Caisses d’Epargne et de Prévoyance.

“**CNCE**” means the Caisse Nationale des Caisses d’Epargne et de Prévoyance, a French société anonyme, the former central body of the Groupe Caisse d’Epargne.

“**Combination Transaction**” means the contribution by CNCE and BFBP of certain assets and businesses to BPCE, and certain related transactions, all of which took place on 31 July 2009.

“**Groupe Banque Populaire**” means the consolidated group formed by BFBP, its consolidated subsidiaries and associates, the Banques Populaires and certain affiliated entities, in each case prior to the Combination Transactions.

“**Groupe BPCE**” means Groupe BPCE SA, the Banques Populaires, the Caisses d’Epargne and certain affiliated entities.

“**Groupe BPCE SA**” means BPCE and its consolidated subsidiaries and associates.

“**Groupe Caisse d’Epargne**” means the consolidated group formed by CNCE, its consolidated subsidiaries and associates, the Caisses d’Epargne and certain affiliated entities, in each case prior to the Combination Transactions.

References to the Issuer are to BPCE.

Forward looking statements

Many statements made or incorporated by reference in this Prospectus are forward looking statements that are not based on historical facts and are not assurances of future results. Many of the forward looking statements contained in this Prospectus may be identified by the use of forward looking words, such as “believe”, “expect”, “anticipate”, “should”, “planned”, “estimate” and “potential”, among others.

Because these forward looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward looking statements.

These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, BPCE's actual results and those of the Groupe BPCE could differ materially from those expressed or forecast in any forward looking statements as a result of a variety of factors, including those in "Risk Factors" set forth in this Prospectus. Investors should carefully consider the section "Risk Factors" of this Prospectus for a discussion of some of the risks that should be considered in evaluating the offer made hereby.

All forward looking statements attributed to BPCE or a person acting on its behalf are expressly qualified in their entirety by this cautionary statement. BPCE undertakes no obligation to publicly update or revise any forward looking statements following their original date of publication, whether as a result of new information or subsequent or future events or for any other reason.

Interest material to the issue

Save for any fees payable to the Managers, as far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue.

Potential Conflicts of Interest between the Managers and Groupe BPCE

All or some of the Managers and their affiliates have and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer and its affiliates and in relation to securities issued by any entity of Groupe BPCE. They have or may (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 Groupe BPCE or (iii) act as financial advisers to the Issuer or other companies of Groupe BPCE. In the context of these transactions, certain of such Dealers have or may hold shares or other securities issued by entities of Groupe BPCE. Where applicable, they have or will receive customary fees and commissions for these transactions.

Each of the Issuer and the Dealers may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Potential conflicts of interest may arise between the calculation agent and the Noteholders, including with respect to certain discretionary determinations and judgements that such calculation agent may make pursuant to the terms and conditions of the Notes that may influence the amount receivable upon redemption of the Notes.

Potential Conflicts of Interest of the members of the Executive Management Committee of the Issuer

To the Issuer's knowledge:

- there are no conflicts of interest between any duties of the members of the Executive Management Committee with respect to the Issuer and their private interests or other duties;
- there are no family ties between the members of the Executive Management Committee.

As of the date of this Prospectus, no member of the Executive Management Committee was linked to the Issuer or any of its subsidiaries by a service agreement offering benefits.

Benchmark Regulation

Amounts payable under the 2042 Notes from and including the First Call Date of the 2042 Notes and Amounts payable under the 2046 Notes from and including the First Call Date of the 2046 Notes are calculated by reference to the 5-Year Mid-Swap Rate which itself refers to ICESWAP2/EURSFIXA, which is provided by ICE Benchmark Administration Limited (the "**Administrator**"). As far as the Issuer is aware, the transitional provisions in Article 51 of Regulation (EU) No. 2016/1011, as amended (the "**Benchmark Regulation**") applies, such that the Administrator is not currently required to obtain, recognition, endorsement or equivalence in the European Union.

Issuer's website

The website of the Issuer is "www.groupebpce.com". The information on such website does not form part of this Prospectus, except where that information has been incorporated by reference into this Prospectus, and has not been scrutinised or approved by the AMF.

Legal Entity Identifier

The Legal Entity Identifier (LEI) of the Issuer is 9695005MSX1OYEMGDF46.

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS

In the name of the Issuer

I declare, to the best of my knowledge, that the information contained in this Prospectus is in accordance with the facts and that it contains no omission likely to affect its import.

BPCE

50 avenue Pierre Mendès France
75013 Paris
France

Duly represented by:
Roland Charbonnel,
Directeur des Emissions et de la Communication Financière
Duly authorised
on 11 October 2021



Autorité des marchés financiers

This Prospectus has been approved by the AMF, in its capacity as competent authority for the purposes of Regulation (EU) 2017/1129. The AMF approves this Prospectus having verified that the information contained in it is complete, coherent and comprehensible as provided under Regulation (EU) 2017/1129, as amended.

This approval is not a favourable opinion on the Issuer and on the quality of the Notes described in this Prospectus. Investors should make their own assessment of the opportunity to invest in such Notes.

This Prospectus has been approved on 11 October 2021 and is valid until the date of admission of the Notes to trading on Euronext Paris and must during such period and in accordance with Article 23 of Regulation (EU) 2017/1129, as amended be completed by a supplement to the Prospectus in the event of any new significant facts or material errors or inaccuracies. The approval number applicable to this Prospectus is 21-438.

Registered Office of the Issuer

BPCE
50 avenue Pierre Mendès France
75013 Paris
France

Sole Structuring Advisor and Sole Bookrunner

Natixis
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75013 Paris
France

Joint-Lead Managers

Credit Suisse Bank (Europe), S.A.
Calle de Ayala, 42
28001 Madrid
Spain

HSBC Continental Europe
38, avenue Kléber
75116 Paris
France

Co-Lead Managers

KBC Bank NV
Havenlaan 2
1080 Brussels
Belgium

La Banque Postale
115, rue de Sèvres
75275 Paris Cedex 06
France

**Fiscal Agent, Principal Paying Agent, Paying Agent
and Calculation Agent**

BNP Paribas Securities Services

Les Grands Moulins de Pantin
9, rue du Debarcadère
93500 Pantin
France

For any calculation:
BNP Paribas Securities Services, Luxembourg Branch
(affiliated with Euroclear France under number 29106)
Corporate Trust Services

60, avenue J.F. Kennedy, Luxembourg
L – 2085 Luxembourg
Tel: +352 26 96 20 00
Fax: +352 26 96 97 57
Attention: Lux Emetteurs / Lux GCT

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To the Managers as to French law

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Auditors to the Issuer

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