

BASE PROSPECTUS



ALD

**(formerly known as ALD International)**

*(incorporated in France as a société anonyme)*

**Euro 6,000,000,000**

**Euro Medium Term Note Programme**

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This Base Prospectus has been approved by the Luxembourg *Commission de surveillance du secteur financier* (the "CSSF"), which is the Luxembourg competent authority for the purpose of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") as a base prospectus issued in compliance with the Prospectus Regulation and the *loi relative aux prospectus pour valeurs mobilières du 16 juillet 2019* (the Luxembourg law on prospectuses for securities of 16 July 2019), as amended (the "**Prospectus Act 2019**") for the purpose of giving information with regard to the issue of notes (the "**Notes**") issued under the Euro 6,000,000,000 Euro Medium Term Note Programme (the "**Programme**") described in this Base Prospectus during the period of twelve months after the date hereof. The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus nor an endorsement of the quality of the Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in any such Notes. By approving this Base Prospectus, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with Article 6(4) of the Prospectus Act 2019. Application has been made for Notes to be listed during the period of twelve months after the date hereof on the official list of the Luxembourg Stock Exchange and/or admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive, as amended (Directive 2014/65/EU appearing on the list of regulated markets published on the European Securities and Markets Authority website). The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The Issuer is rated BBB by S&P Global Ratings Europe Limited ("**S&P**") and BBB+ by Fitch Ratings Limited ("**Fitch**"). The Programme has been rated BBB by S&P and BBB+ by Fitch in respect of Notes with a maturity of more than one year. Please refer to "Credit Ratings" in the section of this Base Prospectus entitled "General Information" for an explanation of the ratings given to the Programme.

Both of the rating agencies are established in the European Economic Area (the "**EEA**") and registered under Regulation (EC) No 1060/2009, as amended or superseded (the "**CRA Regulation**") and they appear on the latest update of the list of registered credit rating agencies on the ESMA website <http://www.esma.europa.eu/supervision/credit-rating-agencies/risk>. Notes may be rated or unrated. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme.

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

***Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations under the Notes are discussed under "Risk Factors" below.***

This Base Prospectus shall remain valid for a period of 12 months after its approval until 24 June 2021 for admissions to trading on a regulated market, provided that it is completed by any supplement required pursuant

to 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.

**Arranger and Dealer**

**SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING**

25 June 2020

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## IMPORTANT NOTICES

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation and for the purpose of giving all necessary information with regard to ALD (formerly known as ALD International) (the "**Issuer**"), the Issuer and its consolidated subsidiaries taken as a whole ("**ALD Automotive**" or the "**Group**") and the Notes which is material to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and of the rights attached to the Notes and the reasons for any issuance thereunder and its impact on the Issuer.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms (as defined below) for each tranche of Notes issued under the Programme and declares that the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Where information has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as completed by a document specific to such Tranche called final terms (the "**Final Terms**"). This Base Prospectus must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes, must be read and construed together with the relevant Final Terms.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any dealer named under "*Subscription and Sale*" below (together with any such other dealer(s) appointed from time to time as described thereunder, the "**Dealer(s)**").

No Dealer has independently verified the information contained herein. None of the Dealer(s) nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealer(s) to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*".

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.

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 are 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. Prospective investors should also conduct such independent investigation and analysis regarding the Issuer, the Notes and all other relevant market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in Notes.

A prospective investor may not rely on the Issuer, the Arranger or the Dealer(s) or any other member of the Group in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Each prospective investor in the Notes must determine the suitability of that investment in light of its own financial circumstances and investment objectives, and only after careful consideration with its financial, legal, tax and other advisers. In particular, each prospective investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- have 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;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant interest rates and financial markets;
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- be 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.

Some Notes are complex financial instruments. A prospective investor should not invest in Notes which are complex financial instruments 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.

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the jurisdiction where the Notes are transferred or other jurisdictions, including the Issuer's country of incorporation, which may have an impact on the income received from the securities. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial notes, 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, disposal and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the prospective investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus.

Each prospective investor should consult its own advisers as to legal, tax and related aspects investment in the Notes. A Noteholder's effective yield on the Notes may be diminished by the tax on that Noteholder of its investment in the Notes. A Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs.

None of the Issuer, the Arranger, the Dealer(s), Agents or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser 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 purchaser with any law, regulation or regulatory policy applicable to it.

Potential conflicts of interest may arise between the Calculation Agent, if any, for a Tranche of Notes and the Noteholders, including with respect to certain determinations and judgments that such Calculation Agent may make pursuant to the Conditions that may influence the amount receivable upon redemption of the Notes.

The investment activities of certain investors can be subject to legal investment laws and regulations and/or review or regulation by certain authorities. Each prospective investor should consult its legal advisers to determine whether and to what extent (1) Notes constitute legal investments for it, (2) Notes can be used as collateral for various types of borrowing, and (3) other restrictions that could apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. None of the Issuer, the Arranger, the Dealer(s) or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

The Conditions (including any non-contractual obligations arising therefrom or connected therewith) are based on relevant laws in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws, or the official application or interpretation of such laws or administrative practices after the date of this Base Prospectus.

**MIFID II PRODUCT GOVERNANCE / TARGET MARKET:** The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

**IMPORTANT – PROHIBITION OF SALES TO EEA AND 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 EEA or the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended or superseded, "**MiFID II**"); (ii) a customer within the meaning of Directive 2016/97/EU, as amended or superseded, 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 or superseded, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or with any other securities regulatory authority of any state or other jurisdiction of the United States and are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States, or to, or for the account or benefit of, U.S. persons within the meaning of Regulation S under the Securities Act ("**Regulation S**") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold to non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S. For a description of these and certain further restrictions on offers, sales and transfers of the Notes and distribution of this Base Prospectus, see "*Subscription and Sale*".

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealer(s) or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed EUR 6,000,000,000. The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Programme Agreement as defined under "*Subscription and Sale*" and the preparation of a supplement in accordance with Article 23 of the Prospectus Regulation.

**NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (THE "SFA"):** Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) 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).

In this Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the EEA, references to "**U.S.\$**", "**U.S. dollars**" or "**dollars**" are to United States dollars, references to "**EUR**", "**Euro**", "**euro**" or "**€**" are to the lawful single currency of the member states of the European Union that have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time), references to "**£**", "**pounds sterling**" or "**GBP**" are to the lawful currency of the United Kingdom, references to "**¥**", "**JPY**" or "**Japanese Yen**" or "**Yen**" are to the lawful currency of Japan, references to "**Swiss francs**" are to the lawful currency of Switzerland and references to "**Renminbi**", "**RMB**" or "**CNY**" mean Renminbi Yuan and are to the lawful currency of the People's Republic of China ("**PRC**"), excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Tranches of Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) described above or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued by a credit rating agency ("**CRA**") established in the EEA and registered under the CRA Regulation, or (2) issued by a CRA which is not established in the EEA but will be endorsed by a CRA which is established in the EEA and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation, will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the "Stabilisation Manager(s)") (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 calendar days after the issue date of the relevant Tranche of Notes and 60 calendar days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.**

## GENERAL DESCRIPTION OF THE PROGRAMME

*The following general description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the Terms and Conditions of any particular Tranche of Notes, the applicable Final Terms. This general description constitutes a general description of the Programme for the purposes of Article 25 of Commission Delegated Regulation (EU) 2019/980.*

Words and expressions defined in "Forms of the Notes" and in the sections headed "Terms and Conditions of the Notes" shall have the same meanings in this General Description.

<b>Issuer:</b>	ALD (formerly known as ALD International)
<b>Risk Factors:</b>	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the risks associated with Notes issued under the Programme. These are set out under the headings "Risk factors relating to the Issuer" and "Risks factors relating to the Notes" in the section headed "Risk Factors" in this Base Prospectus.
<b>Description:</b>	Euro Medium Term Note Programme for the issue of Notes to be governed by English law.
<b>Status of Notes:</b>	The Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank <i>pari passu</i> with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer (except any such obligations as are preferred by law).
<b>Arranger:</b>	Société Générale
<b>Dealer(s):</b>	Société Générale  Any other Dealer(s) appointed in accordance with the Programme Agreement.
<b>Certain Restrictions:</b>	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "Subscription and Sale") including the following restrictions applicable at the date of this Base Prospectus.
<b>Fiscal Agent and Principal Paying Agent:</b>	Société Générale Luxembourg
<b>Programme Size:</b>	Up to Euro 6,000,000,000 (or its equivalent in other currencies calculated on the Agreement Date as defined in the Programme Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
<b>Method of Issue:</b>	The Notes may be issued by way of private or public placement and in each case on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "Series") having one or more issue dates and on terms otherwise identical (or on terms identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "Tranche") on the same or different issue dates.



The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the relevant Final Terms. Notes may be issued on a delivery versus payment basis or on a delivery against payment basis as specified in the relevant Final Terms.

**Currencies:** Notes may be denominated in any currency as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms.

**Maturities:** Any maturity as specified in the applicable Final Terms subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.

**Issue Price:** Notes may be issued at an issue price (expressed either (i) as a percentage of the Aggregate Nominal Amount or (ii) as an amount per Note of the relevant Specified Denomination) which is at par or at a discount to, or premium over, par (as specified in the applicable Final Terms).

**Form of Notes:** Notes will be issued in bearer form ("**Bearer Notes**") (with or without interest coupons attached), issued outside the United States in reliance on the exemption from registration provided by Regulation S under the Securities Act.

Notes will on issue be represented by either a temporary global note in bearer form (each a "**Temporary Global Note**" and a "**Global Note**") or a permanent global note in bearer form (each a "**Permanent Global Note**" and a "**Global Note**") as specified in the applicable Final Terms. Temporary Global Notes will be exchangeable either for (a) interests in a Permanent Global Note or (b) for Bearer Notes in definitive form ("**Definitive Notes**"), as indicated in the applicable Final Terms. Permanent Global Notes will be exchangeable for Definitive Notes only upon the occurrence of an Exchange Event as described under "*Forms of the Notes*".

For further details, please see section "*Forms of the Notes*".

**Initial Delivery of Notes:** On or before the issue date for each Tranche, if the Global Note is a new global note ("**NGN**"), the Global Note will be delivered to a Common Safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream**"). On or before the issue date for each Tranche, if the Global Note is not issued in NGN form (a "**CGN**"), the Global Note may be deposited with a common depository for Euroclear and Clearstream.

**Fixed Rate Notes:** Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms.

<b>Floating Rate Notes:</b>	<p>Floating Rate Notes will bear interest at a rate determined (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement evidenced by a confirmation incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) or (ii) on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service or published by the administrator of such reference rate (or any successor rate thereto or alternative rate therefor).</p> <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each issue of Floating Rate Notes and specified in the applicable Final Terms.</p>
<b>Fixed/Floating Rate Notes:</b>	<p>Fixed/Floating Rate Notes will pay: (a) up to a specified date, an initial rate of interest, at either a fixed rate or a floating rate; and (b) following such specified date, a subsequent rate of interest, at either a fixed rate or floating rate, calculated as set out in the Conditions.</p>
<b>Benchmark Replacement:</b>	<p>In the event that a Benchmark Trigger Event occurs in relation to a Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Reference Rate, the Issuer shall use its reasonable endeavours to appoint and consult with a Reference Rate Determination Agent, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which a Substitute Rate and, in either case, an Adjustment Spread, if any, as described in the Conditions.</p>
<b>Other provisions in relation to Floating Rate Notes:</b>	<p>Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both, or be subject to a Rate Multiplier, in each case as set forth in the applicable Final Terms.</p>
<b>Change of Interest Basis:</b>	<p>The provisions relating to interest on the Notes may change during the life of the relevant Notes (as indicated in the applicable Final Terms).</p>
<b>Zero Coupon Notes:</b>	<p>Zero Coupon Notes will not bear interest (other than in the case of late payment).</p>
<b>Redemption:</b>	<p>The applicable Final Terms will specify either that (a) the Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or (b) such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as may be agreed between the Issuer and Dealer(s).</p>
<b>Redemption Amount:</b>	<p>The relevant Final Terms will specify the redemption amounts payable calculated on the basis as specified in the Conditions. Unless permitted by then current laws and regulations, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum</p>

redemption amount of £100,000 (or its equivalent in other currencies).

<b>Optional Redemption:</b>	The Final Terms issued in respect of each issue of Notes will specify whether or not such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders and if so the terms applicable to such redemption, in accordance with the provisions of the Conditions.
<b>Denomination(s) of Notes:</b>	Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) as indicated in the applicable Final Terms save that (i) the minimum denomination of each Note admitted to trading on a regulated market within the EEA or the UK or offered to the public in a Member State of the EEA or in the UK in circumstances which require the publication of a prospectus under the Prospectus Regulation will be Euro 100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency); and (ii) unless otherwise permitted by then current laws and regulations, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the UK or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies).
<b>Taxation:</b>	All payments in respect of the Notes will be made without withholding or deduction for or on account of taxes imposed by France, unless such withholding or deduction is required by law. In the event that any such withholding or deduction is required, the Issuer will, save in certain circumstances, be required to pay additional amounts to cover the amounts so deducted.
<b>Events of Default; No Cross-default:</b>	There will be events of default in relation to the Notes. There will be no cross-default with respect to the Notes.
<b>Negative Pledge:</b>	None
<b>Ratings:</b>	In respect of Notes with a long-term maturity, the Programme has been rated BBB by S&P and BBB+ by Fitch. Tranches of Notes to be issued under the Programme may be rated or unrated. Potential purchasers of Notes should inform themselves of the rating(s) (if any) applicable to a Tranche of Notes before making any decision to purchase such Notes. The ratings, if any, will be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without notice.
<b>Listing and Admission to Trading:</b>	Notes issued under the Programme may be listed on the official list of the Luxembourg Stock Exchange and/or admitted to trading on the regulated market of the Luxembourg Stock Exchange or such other or further competent authorities, stock exchanges and/or quotation systems as may be specified in the relevant Final Terms. A Series of Notes may be unlisted.
<b>Method of Publication of this Base Prospectus and the Final Terms:</b>	This Base Prospectus, any supplement thereto and the Final Terms related to the Notes listed on the official list of the Luxembourg Stock Exchange and/or admitted to trading on the regulated market of the Luxembourg Stock Exchange will be published on the website of the Luxembourg Stock Exchange

([www.bourse.lu](http://www.bourse.lu)). The Final Terms will indicate where the Base Prospectus may be obtained.

- Governing Law:** The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and construed in accordance with, English law.
- Enforcement of Notes in Global Form:** In the case of Global Notes, accountholders holding their Notes via Euroclear and/or Clearstream, or any other relevant clearing system, will acquire direct rights against the Issuer in accordance with the terms of an amended and restated deed of covenant dated 8 July 2016 (the "**Deed of Covenant**"), a copy of which will be available for inspection at the specified office of the Fiscal Agent.
- Selling Restrictions:** The offer and sale of Notes will be subject to selling restrictions in various jurisdictions, in particular, those of the United States of America, Japan, Hong Kong, the People's Republic of China, Singapore, the EEA, including France and the United Kingdom.
- United States Selling Restrictions:** Regulation S, Category 2. The relevant Final Terms will specify whether TEFRA Rules are applicable and, in this case, if TEFRA C or TEFRA D are applicable.

## **RISK FACTORS**

*Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risks associated with any investment in the Notes, the business of the Issuer and the industry(ies) in which it operates together with all other information contained in this Base Prospectus, including, in particular the risk factors described below. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.*

*The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. Additional risks and uncertainties relating to the Issuer that are not currently known to the Issuer, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances.*

*The risk factors are presented in categories where the most material risk factors in a category are presented first under that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor.*

### **I. RISKS RELATING TO THE ISSUER AND ITS SUBSIDIARIES**

Given the diversity and changes in the Group's activities, its risk management focuses on the following main categories of risks, any of which could adversely affect the Group's performance.

The following risk factors set out in "Chapter 4. Risks" on pages 91-101 of the English version of the Issuer's registration document dated 9 April 2020 and which was filed with the *Autorité des marchés financiers* on 9 April 2020 under visa no. D.20-0284 (the "**2019 Universal Registration Document**") shall be deemed to be incorporated by reference in, and form part of, this Part I (see section "Information Incorporated by Reference").

#### **A. Risks specific to the Group's activity**

*The Group may be unable to sell its used vehicles at desirable prices, and faces risks related to the residual value of its vehicles in connection with such disposals.*

*The Group's pricing structure and assumptions regarding the future maintenance and repair costs and tyre costs of the vehicles in its fleet over the term of the lease may prove to be inaccurate, which could result in reduced margin or losses.*

*The Group's activities are based on contractual relationships with intermediaries in the distribution of contracts (car manufacturers, banks, retail websites).*

*Car Manufacturers providing vehicles, maintenance and spare parts as well as the other suppliers of aftersales service.*

*Some of our partners in associated services have a monopoly on their market.*

#### **B. Credit risk**

*The Group is exposed to the risk that its customers may default on lease and/or Fleet Management contracts.*

#### **C. Strategic risk**

*The Group may be unable to compete successfully or competition may increase in the businesses in which it operates.*

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

*Standard clauses used in the Group's leasing contracts could be declared invalid, and it thus may not be able to enforce such clauses or the contracts in which such clauses are found.*

*The Group may be subject to litigation or administrative and/or legal proceedings that could harm its interests.*

*Changes to the regulations governing vehicles with combustion engines may have a strong effect on the residual values of ALD fleet.*

*The Group is dependent on the smooth functioning of its software systems, websites and mobile applications, and on its ability to continue to adapt them to future technological developments.*

*Any disruption to, or third-party attack on, the Group's information technology systems could adversely impact its business.*

#### **E. Treasury risks**

*Inability to meet its financial commitments when they fall due.*

*The Group is marginally exposed to interest rate risk and is exposed to a foreign exchange rise in countries outside the Euro zone.*

#### **F. Other risks**

*Exceptional risks related to coronavirus.*

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

The following does not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in the Notes and the suitability of investing in the Notes considering their particular circumstances. The following categories of risk factors are identified:

#### **A. Risks for the Noteholders as creditors of the Issuer**

##### **Limited events of default**

The Notes contain events of default and a holder of any such Note may only give notice that such Note is immediately due and payable in a limited number of circumstances. Such events of default do not include, for example, a cross-default of the Issuer's other debt obligations. Upon a payment default, the sole remedy available to Noteholders and, where applicable, Couponholders for recovery of amounts owing in respect of any payment of principal or interest on such Notes will be the institution of judicial 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. Therefore, the liquidity and market value of the Notes may be adversely affected and investors who sell Notes on the secondary market could lose all or part of their investment.

##### **Noteholders' returns may be limited or delayed by the insolvency of the Issuer**

If the Issuer were to be subject to French proceedings affecting creditors, Noteholders' returns could be limited or delayed. Application of French insolvency law could affect the Issuer's ability to make payments on the Notes (such as the non-payment of interest and/or principal) and French insolvency laws may not be as favourable to Noteholders as the insolvency laws of other countries.

In French judicial proceedings, being the safeguard procedure (*procédure de sauvegarde*), accelerated safeguard procedure (*procédure de sauvegarde accélérée*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) and judicial reorganisation procedure (*procédure de redressement judiciaire*) depending on the size of the business, creditors may be consulted either individually or through committee-based consultation. Should creditor committees be set up, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (such as a Euro Medium Term Note programme) and regardless of their governing law.

The Assembly deliberates on the draft safeguard plan (*projet de plan de sauvegarde*), draft accelerated safeguard plan (*projet de plan de sauvegarde accélérée*), draft accelerated financial safeguard plan (*projet de plan de*

*sauvegarde financière accélérée*) or draft judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- partially or totally reschedule payments which are due, write-off debts and/or convert debts into ordinary shares or other instruments of ownership (including with respect to amounts owed under the Notes); and/or
- establish an unequal treatment between holders of debt securities (including Noteholders) if it justified by their differences in situation or in order to "take into account" subordination agreements entered into by the creditors before the commencement of the proceedings.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the amount of debt securities held by the holders expressing a vote). The quorum is the same as the one applicable to shareholders' ordinary assembly of *société anonyme* pursuant to article L. 225-98 of the French Commercial Code, being one-fifth of the shares on first notice.

For the avoidance of doubt, the provisions relating to the representation of the Noteholders described in the Conditions as set out in this Base Prospectus and if applicable, the relevant Final Terms, will not be applicable with respect to the Assembly to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances.

The commencement of insolvency proceedings could have an adverse impact on the market value of the Notes and Noteholders may lose all or part of their investment.

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

One or more independent credit rating agencies may assign credit ratings to the Notes. At the date of this Base Prospectus, the Notes issued under the Programme are expected to be rated BBB by S&P and BBB+ by Fitch, as described in the section "*General Description of the Programme*". The rating of the Notes will be specified in the relevant Final Terms. There is no assurance that, following the date of this Base Prospectus, any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the rating agencies as a result of changes in or unavailability of information or if, in the judgement of the rating agencies, circumstances so warrant.

If any rating assigned to the Notes is revised, lowered, suspended or withdrawn, the market value of the Notes could be adversely affected. Further, rating agencies may assign unsolicited ratings to the Notes. If non-solicited ratings are assigned, there can be no assurance that such ratings will not differ from, or be lower than, the ratings sought by the Issuer.

#### **Meetings of Noteholders and modifications; defined majorities may bind all Noteholders**

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority and all Couponholders and Noteholders who did not respond to or rejected the relevant Extraordinary Resolution.

#### **The Notes may be redeemed prior to maturity**

Unless in the case of any particular Tranche of Notes the relevant Final Terms specify otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or any authority therein or thereof having power to tax, the Issuer may, and in certain circumstances must, redeem all outstanding Notes in accordance with the "*Terms and Conditions of the Notes*". An investor might not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed.

#### **Changes to applicable tax regimes**

The Issuer is subject to complex and evolving tax legislation in the countries in which it operates. Changes in tax laws or regulations or in their interpretations could adversely affect its tax position, such as its effective tax rate or tax payments.

For further information on the taxation relating to the Notes, investors and/or Noteholders should refer to "Changes to applicable tax regimes" under the section entitled "Taxation – Further Tax Considerations".

### **Notes where denominations involve integral multiples: Definitive Notes**

In relation to any issue of Notes in bearer form ("**Bearer Notes**") which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Bearer Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination (as defined in the Conditions). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time will not receive a Bearer Note in definitive form (a "**Definitive Note**") in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Bearer Notes such that it holds an amount equal to one or more Specified Denomination.

If Definitive Notes are issued, Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

### **B. Risks related to the structure of a particular issue of Notes**

The Programme allows for different types of Notes to be issued. Accordingly, each Tranche of Notes may carry varying risks for prospective investors, depending on the specific structure and features of such Notes.

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

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

Pursuant to Condition 8 of the Terms and Conditions, and if specified as applicable in the relevant Final Terms, the Issuer may, at its option, redeem in whole or in part the Notes prior to their Maturity Date through the exercise of the Issuer's corresponding option to early redeem the Notes.

In such event, an investor generally 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. This could have a material adverse effect on the yield of the Notes that could be considerably less than anticipated by the Noteholders. Prospective investors should consider reinvestment risk in light of other investments available at that time.

In addition, any optional redemption of the Notes by the Issuer is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise above the price at which they can be redeemed. This also may be true prior to any redemption period. If they have acquired the Notes when they were trading above par, such Noteholders could lose part of their investment.

#### **Changes in interest rates may adversely affect the value of the Notes**

Investors are exposed to the risk that if interest rates increase after the issuance of the Notes, the value of the Notes could be adversely affected and investors could lose all or part of their investment.

Investors in Fixed Rate Notes (see Condition 5(b) (*Fixed Rate Notes - Accrual of interest*)) are exposed to the risk that if interest rates subsequently increase above the rate paid on the Fixed Rate Notes, the value of the Notes could be adversely affected.

Investors in Floating Rate Notes (see Condition 6(b) (*Floating Rate Notes - Accrual of interest*)) are exposed to the risk that they cannot anticipate the interest income on the Floating Rate Notes. Due to varying interest income, investors are not able to determine a definite yield for Floating Rate Notes at the time they purchase them, and therefore their investment return cannot be compared with that of investments having longer fixed interest periods and this will adversely affect the value of the Notes.

#### **Risk relating to benchmark reforms and licensing**

Where the Final Terms for a Series of Floating Rate Notes identifies that the Rate of Interest for such Notes will be determined by reference to the London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate



("EURIBOR") or other indices which are deemed to be benchmarks, investors should be aware that these have been the subject of recent international, national and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently from the past or disappear entirely or have other consequences that cannot be predicted. Any such consequences could have a material adverse effect on the liquidity and value of and return on any Notes linked to such a benchmark.

The Benchmark Regulation (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (as amended, the "**Benchmark Regulation**") could have a material impact on any Notes which pay a floating rate of interest (including Floating Rate Notes and Fixed/Floating Rate Notes). In particular, if the methodology or other terms of the benchmark (such as LIBOR or EURIBOR) are changed in order to comply with the requirements of the Benchmark Regulation, such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the level or volatility of such benchmark. In addition, market participants may be discouraged from continuing to administer or contribute to such benchmark and the rules or methodologies used in the benchmarks may change, which may lead to the disappearance of the benchmark. Any of these changes, could have a material adverse effect on the value of and return on any Notes linked to a benchmark.

The potential elimination of LIBOR as a benchmark (or any other benchmark), the establishment of alternative reference rates or changes in the manner of administration of LIBOR (or any other benchmark) as a benchmark could also require adjustments to the terms of any Notes which pay a floating rate on interest. In particular, to the extent LIBOR is discontinued or is no longer quoted, the reference rate of such Notes may thereafter be determined in relation to a different benchmark. The replacement benchmark may perform differently from the discontinued LIBOR and may result in other consequences, such as interest payments that are lower than, or that do not otherwise correlate over time with, the payments that would have been made on such Notes if LIBOR as a benchmark was available in its current form. This could in turn impact the trading value of the affected Notes.

Currently, the market continues to develop with respect to the adoption of the Sterling Overnight Index Average ("SONIA") as an alternative reference rate to LIBOR. Investors should be aware that the market may adopt an application of SONIA that differs significantly from the provisions set out in the Conditions and used in relation to Notes with a floating rate of interest that reference a LIBOR rate. Interest on Notes which reference a LIBOR rate is only capable of being determined at the end of the relevant interest period and immediately prior to the relevant Interest Payment Date and it could be difficult for investors to estimate in advance the interest amount which will be payable on such Notes.

If the relevant reference rate ceases to be calculated or administered and no alternative base rate is identified, this may result in the relevant reference rate no longer being available or being subject to replacement as described in "*If LIBOR, EURIBOR or any other benchmark is discontinued, the applicable floating rate of interest will be changed in ways that may be adverse to holders of such Notes, without any requirement that the consent of such holders be obtained*" below, and the interest rate on such Notes will accrue at the last relevant rate plus the Margin, effectively converting such Notes into fixed rate instruments.

Any of the above changes or any other consequential changes to benchmarks as a result of European Union, United Kingdom, or other international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes could have a negative impact on the trading market for, value of and return on the Notes.

**If LIBOR, EURIBOR or any other benchmark is discontinued, the applicable floating rate of interest will be changed in ways that may be adverse to holders of such Notes, without any requirement that the consent of such holders be obtained**

Pursuant to Condition 6(c) and (e) which applies to any Notes which pay a floating rate of interest (including Floating Rate Notes and Fixed/Floating Rate Notes), where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, if the relevant reference rate has been discontinued, the fallback arrangements referenced in the Conditions will include the possibility that:

- i. the relevant rate of interest (or, as applicable, component thereof) could be set or, as the case may be, determined by reference to a successor rate or a substitute rate (as applicable); and
- ii. such successor rate or substitute rate (as applicable) may be adjusted (if required).

No consent of the Noteholders shall be required in connection with effecting any successor rate or alternative rate (as applicable) or with any other related adjustments and/or amendments to the Conditions (or any other document) which are made in order to effect any successor rate or alternative rate (as applicable).

The successor or alternative rate (as applicable) may have no or very limited trading history and accordingly its general evolution and/or interaction with other relevant market forces or elements may be difficult to determine or measure. In addition, given the uncertainty concerning the availability of successor or alternative rate (as applicable) and the involvement of a Reference Rate Determination Agent, the fallback provisions may not operate as intended at the relevant time and the successor or alternative rate (as applicable) may perform differently from the discontinued benchmark. These could significantly affect the performance of a successor or alternative rate (as applicable) compared to the historical and expected performance of LIBOR, EURIBOR or the applicable benchmark.

There can be no assurance that any change or adjustment applied to any Series of Notes will adequately compensate for this impact. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favorable to each Noteholder. This could in turn impact the rate of interest on, and trading value of, the affected Notes. Moreover, any holders of such Notes that enter into hedging instruments based on the relevant reference rate may find their hedges to be ineffective, and they may incur costs replacing such hedges with instruments tied to the successor or alternative rate (as applicable).

In certain circumstances, the ultimate fallback for a particular Interest Period, including where no successor or alternative rate (as applicable) is determined, may be that the rate of interest for the last preceding Interest Period is used for the following Interest Period. This may result in the effective application of a fixed rate for Floating Rate Notes and Fixed/Floating Rate Notes (as applicable).

Furthermore, in the event that no successor or alternative rate (as applicable) is determined and the affected Notes are effectively converted to fixed-rate Notes as described above, investors holding such Notes might incur costs from unwinding hedges. Moreover, in a rising interest rate environment, holders of such Notes will not benefit from any increase in rates. The trading value of such Notes could therefore be adversely affected. There is a high probability that certain interbank offered rates will cease to exist or undergo changes that could increase the likelihood of the risks set out above materialising.

### **Risks associated with Notes that reference SONIA or €STR as the Reference Rate**

The market continues to develop with respect to SONIA and €STR as reference rates in the capital markets and their adoption as an alternative to the relevant LIBOR rate or EURIBOR (as the case may be). In particular, whilst Notes may be issued under the Programme that reference SONIA or €STR using a compounded in arrear or weighted average formula, it is possible that the market or a significant part thereof may adopt a different application of such rate. For example, in February 2020, the Bank of England released a discussion paper in which it stated its intention to publish a daily SONIA compounded index and that it is considering whether to publish a set of compounded SONIA period averages. Further, it is anticipated that term SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term) may be published from 2021. The key terms to calculate and determine the applicable SONIA or €STR reference rate, such as for example the compounding structure applied (if any), the use of term rates (if any), the spread over the index reflected in interest rate provisions or the applicable observation method, may evolve over time in the debt capital markets and trading prices of Notes that reference SONIA or €STR as the Reference Rate may be lower than those of later-issued indexed debt securities as a result.

Interest on Notes which reference SONIA or €STR as the Reference Rate is only capable of being determined at the end of an observation period and shortly prior to the relevant interest payment date. It may therefore be difficult (if not impossible) for investors in Notes which reference SONIA or €STR as the Reference Rate to reliably estimate the amount of interest which will be payable on such Notes. Some investors may be unable or unwilling to trade such Notes without changes to their information technology or other operational systems, which could adversely impact their liquidity. Further, if the Notes become due and payable prior to their stated maturity, the rate of interest payable shall be determined on the date the Notes became due and payable and shall not be reset thereafter.

The manner of adoption or application of SONIA and €STR reference rates in the debt capital markets may differ materially compared with the application and adoption of SONIA and €STR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch across these markets may

impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing SONIA or €STR.

Further, the composition and characteristics of SONIA and €STR are not the same and are different from the composition and characteristics of LIBOR and EURIBOR. For example:

- SONIA is an unsecured overnight rate published by the Bank of England and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions based on actual transactions; and
- €STR is an unsecured overnight rate reported by the ECB as a volume-weighted trimmed mean based on borrowing transactions in Euro conducted with financial counterparties that banks report in accordance with Regulation (EU) No 1333/2014 ("**MMSR Regulation**"). It is based on daily confidential statistical information relating to money market transactions collected in accordance with the MMSR Regulation. The regular data collection started on 1 July 2016 and €STR is based exclusively on the eligible data from the unsecured market segment of the MMSR.

As a result, there can be no assurance that SONIA or €STR (or any term reference rate derived on any of them) will perform in the same way as LIBOR or EURIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, market volatility or global or regional economic, financial, political, regulatory, judicial or other events.

Because SONIA and €STR are published based on data received from a variety of sources, the Issuer has no control over their methods of calculation, publication schedule, rate revision practices or availability at any time without notice. There can be no guarantee, particularly given the relatively recent introduction and publication of these rates and their adoption as replacements for LIBOR and EURIBOR, that these rates will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the Notes that reference SONIA or €STR as the Reference Rate (as the case may be). If the manner in which SONIA or €STR is calculated is changed, that change may result in a reduction of the amount of interest payable on the Notes and the trading prices of the Notes. In addition, the Bank of England or the ECB may withdraw, modify or amend published data relating to SONIA or €STR (as the case may be) in its sole discretion and without notice. The interest rate under the Notes for any day will not be adjusted for any modifications or amendments to data that the Bank of England or the ECB may publish after the interest rate for that day has been determined.

Although the Bank of England and the ECB publish historical data (or historical indicative data) in respect of SONIA and €STR respectively, investors should not rely on any historical changes or trends in SONIA or €STR as an indicator of future changes in such rates. Furthermore, since SONIA and €STR reference rates are relatively new reference rates, Notes that reference SONIA and €STR as the Reference Rate may not have an established trading market and an established trading market may not develop or may not be very liquid. Similarly, if SONIA and €STR do not prove to be widely used in securities like the Notes, the trading price of the Notes that reference SONIA and €STR as the Reference Rate may be lower than those of Notes linked to reference rates that are more widely used. Investors in Notes that reference SONIA and €STR as the Reference Rate may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

**If a Benchmark Trigger Event (as further described in Condition 6 (e)) has occurred, the Rate of Interest on the affected Floating Rate Notes will be changed in ways that may be adverse to holders of such Floating Rate Notes, without any requirement that the consent of such holders be obtained**

Pursuant to the terms and conditions of any applicable Floating Rate Notes, if the Issuer in consultation with the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, at any time that the screen rate that constitutes the Reference Rate for such Notes has been discontinued, or the relevant Benchmark is materially modified, permanently discontinued or prohibited, or, in certain circumstances as more fully described in the Conditions of the Notes, the Benchmark or the sponsor thereof is not approved under applicable law or rejected, withdrawn or suspended by the relevant regulator, then the Issuer will be required to use reasonable efforts to appoint a Reference Rate Determination Agent (which may be (i) a leading bank or a broker-dealer in the Principal Financial Centre of the Specified Currency (which may include one of the Dealers involved in the issue of the Notes), (ii) an independent financial adviser, (iii) an affiliate of the Issuer and/or (iv) the Calculation Agent) who will determine a Replacement Reference Rate, acting in good faith and in a commercially reasonable manner, as well as any necessary concomitant changes to the Business Day Convention, the definition

of Business Day, the Interest Determination Date, the Day Count Fraction, and any method for obtaining the Replacement Reference Rate, including any changes or adjustments to the spread or other aspects of the Notes necessary to make such Replacement Reference Rate as comparable as possible to the previous Reference Rate. Such Replacement Reference Rate and any such other changes will (in the absence of manifest error) be final and binding on the Noteholders, the Issuer, the Calculation Agent, the Fiscal Agent and any other person and each Noteholder shall be deemed to have accepted the Replacement Reference Rate and such related changes and adjustments which will thenceforth apply to the relevant Floating Rate Notes.

The Replacement Reference Rate may have no or a very limited trading history and accordingly its general evolution and/or interaction with other relevant market forces or elements may be difficult to determine or measure. In addition, given the uncertainty concerning the availability of successor rates and the involvement of a Reference Rate Determination Agent, the relevant fallback provisions may not operate as intended at the relevant time and the replacement rate may perform differently from the discontinued Benchmark. For example, there are currently proposals to replace LIBOR (which generally has a term of one, three or six months) with an overnight rate. Similarly, proposals have been made to use a rate on highly rated government obligations to replace LIBOR, which is currently based on interbank lending rates and carries an implicit element of credit risk of the banking sector as described in "Risk relating to the Benchmark Regulation and to certain benchmark rates that may be administered differently or discontinued in the future, including LIBOR" above. These and other changes could significantly affect the performance of a successor or alternative rate (as applicable) compared to the historical and expected performance of LIBOR, EURIBOR or the applicable benchmark.

There can be no assurance that any change or adjustment applied to any Series of Floating Rate Notes will adequately compensate for this impact. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favorable to each Noteholder. This could in turn impact the Rate of Interest on, and trading value of, the affected Floating Rate Notes. Moreover, any holders of such Notes that enter into hedging instruments based on the Reference Rate may find their hedges to be ineffective, and they may incur costs in unwinding such hedges and replacing them with instruments tied to the Replacement Reference Rate.

If the Reference Rate Determination Agent is unable to determine an appropriate Replacement Reference Rate for any Reference Rate on or prior to the next following Interest Determination Date, then the provisions for the determination of the Rate of Interest on the affected Floating Rate Notes will not be changed (though the Issuer will be entitled but not obliged at any time thereafter to re-apply the provisions described in the first paragraph of this Risk Factor). In such cases, the Conditions of the Notes provide that the Rate of Interest on such Notes will be calculated based on the last Reference Rate observable on the Relevant Screen Page as determined by the Calculation Agent, effectively converting such Notes into Fixed Rate Notes. In such circumstances and a rising interest rate environment, holders of such Notes will, consequently, not benefit from any increase in rates. The trading value of such Notes could therefore be adversely affected.

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

Fixed/Floating Rate Notes (as further described in Conditions 5 and 6 of the Terms and Conditions) may bear interest at a rate that will automatically, or that the Issuer may elect to, convert from a fixed rate to a floating rate, from a floating rate to a fixed rate. The spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate may at any time be lower than the rates on the Issuer's other outstanding Notes. If a floating rate is converted to a fixed rate, the fixed rate may be lower than then prevailing rates on the Issuer's other outstanding Notes. The conversion of the interest rate may affect the market yield of the Notes. Movements in the market spread could negatively affect the price of the Notes and could lead to losses for Noteholders.

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

The Issuer may issue Zero Coupon Notes (as further described in Condition 7 of the Terms and Conditions) and Notes issued at a substantial discount or premium from their principal amount. The market value of such Notes tends to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities. It is difficult to anticipate future market volatility in interest rates, but any such volatility may have a negative effect on the value of the Notes.

**There can be no assurance that the use of proceeds from Notes identified as Positive Impact Notes in the Final Terms will be suitable for an investor's specific investment criteria**

The Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply an amount equal to the net proceeds of the issue of "positive impact" Notes (the "**Positive Impact Notes**") to finance or refinance, in part or in full new and existing eligible "positive impact" projects (such projects the "**Positive Impact Projects**"), which serves to deliver a positive contribution to one or more of the three pillars of sustainable development (economic, environmental and social), once any potential negative impacts have been duly identified and mitigated as defined in the positive impact bonds framework, as amended and supplemented from time to time (the "**Positive Impact Bonds Framework**") which is available on the website of the Issuer ([https://www.aldautomotive.com/Portals/international/Documents/ALD\\_Positive\\_Impact\\_Bond\\_Framework-VF2.pdf?ver=2018-09-18-101424-080](https://www.aldautomotive.com/Portals/international/Documents/ALD_Positive_Impact_Bond_Framework-VF2.pdf?ver=2018-09-18-101424-080)) and as specified in the relevant Final Terms.

Prospective investors should have regard to the information set out in the relevant Final Terms and the relevant Positive Impact Bonds Framework regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Positive Impact Notes together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer, the Arranger or the Dealers that the Positive Impact Projects (as indicated in the "Reasons for the offer" paragraph in the relevant Final Terms and as more fully described in the relevant Positive Impact Bonds Framework) will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates. It should be noted that there is no market consensus as to what constitutes a "positive impact" project. At the date of this Base Prospectus, the Issuer complies with the guidelines set out in the Green Bond Principles published by the International Capital Markets Association (as they may be further updated) and refers to the concept of "positive impact" project as defined in the Principles for Positive Impact Finance published by the United Nations Environment Programme - Finance Initiative, it being specified that (i) such definition and guidelines may evolve from time to time and/or (ii) the Issuer may decide to depart from this definition and guidelines, in which cases such information will be specified in the relevant Positive Impact Bonds Framework.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any other third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Positive Impact Notes and in particular with any project, to fulfil any environmental and/or other criteria. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold any such Positive Impact Notes.

While it is the intention of the Issuer to apply the proceeds of any Positive Impact Notes in, or substantially in, the manner described in the relevant Final Terms and the relevant Positive Impact Bonds Framework, there can be no assurance that the relevant asset or use(s) the subject of, or related to, any asset, will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such asset. Nor can there be any assurance that such asset will be completed within any specified period or at all or with the results or outcome (whether or not related to the "positive impact" aspect) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not give a right to a Noteholder to request the early redemption or acceleration of the Positive Impact Notes held by it.

Any such event or failure to apply all or part of the proceeds of any issue of Positive Impact Notes for any asset as aforesaid and/or withdrawal of any such other opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on may have an adverse effect on the value of such Positive Impact Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. For the avoidance of doubt, it is however specified that payments of principal and interest (as the case may be) on the Positive Impact Notes shall not depend on the performance of the relevant project.

The Dealers have not undertaken, nor are responsible for, any assessment of the eligibility criteria, any verification of whether the Positive Impact Notes meet the eligibility criteria, or the monitoring of the use of proceeds, required by prospective investors. Investors should refer to the Issuer's website

(<https://www.aldautomotive.com/investors/information-and-publications/debt-investors>) or any second party opinion.

### **Risks relating to Renminbi-denominated Notes**

Notes denominated in Renminbi ("**Renminbi Notes**") contain particular risks for potential investors, including the following:

*Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC which may adversely affect the liquidity of Renminbi Notes*

Renminbi is not freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar.

However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

Subject to the prior receipt of all necessary governmental approvals, the relevant Issuer may remit the net proceeds from the offering of Renminbi Notes into the PRC. There is no assurance that such approvals will be granted and, if granted, will not be revoked or amended in the future.

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

In the event that the relevant Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from and registration with the relevant PRC government authorities. However, there is no assurance that the necessary approvals from and registration with the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

Although the People's Bank of China ("**PBoC**") has implemented policies improving accessibility to Renminbi to settle cross-border transactions in the past, there is no assurance that the PRC Government will liberalise control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. Despite the Renminbi internationalisation pilot programme and efforts in recent years to internationalise the currency, there can be no assurance that the PRC Government will not impose interim or long-term restrictions on the cross-border remittance of Renminbi. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside of the PRC and the ability of the Issuer to source Renminbi to finance its obligations under Renminbi Notes.

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

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or current regulations (including but not limited to the settlement arrangements between the PBoC and certain financial institutions in respect of limited clearing or Renminbi outside of the PRC) will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Renminbi Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its Renminbi Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.



*Renminbi Notes issued under the Programme may only be held in Euroclear France, Euroclear and Clearstream,*

Noteholders may only hold Renminbi Notes if they have an account with Euroclear France or maintained with an Account Holder which itself has an account with Euroclear France (which include Euroclear and Clearstream).

*Investment in Renminbi Notes is subject to exchange rate risks*

All payments of interest and principal will be made in Renminbi with respect to Renminbi Notes unless otherwise specified. The value of Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. The PBoC has in recent years implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of the Renminbi Notes in that foreign currency will decline.

*Investment in Renminbi Notes is subject to currency risks*

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the Renminbi Notes as a result of Inconvertibility, Non-transferability or Illiquidity (each, as defined in the Conditions), the Issuer shall be entitled, on giving not less than five or more than 30 calendar days' irrevocable notice to the investors prior to the due date for payment, to settle any such payment in U.S. Dollars on the due date at the U.S. Dollar Equivalent (as defined in the Conditions) of any such interest or principal, as the case may be.

*Payments with respect to the Renminbi Notes may be made only in the manner designated in the Renminbi Notes*

All payments to investors in respect of the Renminbi Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and regulations for such transfer and in accordance with the Conditions of the Renminbi Notes. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC). For persons holding Renminbi Notes through Euroclear France, Euroclear or Clearstream payments will also be made subject to the procedures of Euroclear France, Euroclear or Clearstream as applicable.

*Gains on the transfer of the Renminbi Notes may become subject to income taxes under PRC tax laws*

Under the *PRC Enterprise Income Tax Law* and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Renminbi Notes by non-PRC resident enterprise may be subject to PRC enterprise income tax ("EIT") if such gain is regarded as income derived from sources within the PRC. The *PRC Enterprise Income Tax Law* levies EIT at the rate of 20 per cent. of the PRC-sourced gains derived by such non-PRC resident enterprise holder from the transfer of Renminbi Notes but its implementation rules have reduced the EIT rate to 10 per cent.

However, uncertainty remains as to whether the gain realised from the transfer of Renminbi Notes by non-PRC resident enterprise or individual holders would be treated as income derived from sources within the PRC and become subject to the EIT. This will depend on how the PRC tax authorities interpret, apply or enforce the *PRC Enterprise Income Tax Law* and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, Holders who are residents of Hong Kong, including enterprise holders and individual holders, will not be subject to EIT on capital gains derived from a sale or exchange of the Notes.

Therefore, if non-PRC enterprise or individual resident holders are required to pay PRC income tax on gains derived from the transfer of Renminbi Notes, unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC enterprise resident holders of Renminbi Notes reside that reduces or exempts the relevant EIT, the value of their investment in Renminbi Notes may be materially and adversely affected.

### **C. Risks related to the market of the Notes**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

### **Market value of the Notes**

The market value of the Notes will be affected by the creditworthiness and/or the credit rating of the Issuer and a number of additional factors, including, the market interest and yield rates and the time remaining to the maturity date.

The value of the Notes that may be listed on the official list of the Luxembourg Stock Exchange and/or admitted to trading on the regulated market of the Luxembourg Stock Exchange or any other regulated market depends on several interrelated factors, including economic, financial and political events in France and elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded. The price at which a Noteholder may sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. Therefore, Noteholders may lose all or part of their investment in the Notes.

### **There can be no assurance that a trading market will develop or that it will be liquid**

Notes may have no established trading market when issued, and there can be no assurance that an active trading market will develop in the future. If a market does develop, it may not be very liquid. The liquidity and the market prices for the Notes can be expected to vary with changes in market and economic conditions, the Issuer's financial condition and prospects and other factors that generally influence the market prices of securities. Therefore, investors 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. Illiquidity may have a severely adverse effect on the market value of Notes.

Moreover, although the Issuer can purchase Notes at any moment pursuant to Condition 8(l) of the Terms and Conditions, this is not an obligation for the Issuer. Purchases made by the Issuer could affect the liquidity of the secondary market of the relevant Notes and thus the price and the conditions under which investors can negotiate these Notes on the secondary market.

If the Final Terms provide that application is made for a Series of Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange and/or admitted to trading on the regulated market of the Luxembourg Stock Exchange, there is no assurance that any particular application will be accepted, that such Series of Notes will be so admitted or that an active trading market in respect of such Series will develop or that, once accepted and/or admitted, such admission and/or listing will not be suspended or terminated during the life of the Notes of such Series. Such situation could materially affect the market value of the Notes.

### **Changes in exchange rate and exchange controls could result in a substantial loss**

This Programme allows for Notes to be issued in a Specified Currency as defined in Condition 2(a). The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal as measured in the Investor's Currency.



## INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus:

1. the English version of the registration document of the Issuer dated 9 April 2020 which includes an English translation of the audited consolidated financial statements of the Issuer in respect of the year ended 31 December 2019, and a free English translation of the statutory auditors' audit report on the consolidated financial statements of the Issuer in respect of the year ended 31 December 2019 and which was filed with the *Autorité des marchés financiers* on 9 April 2020 under visa no. D.20-0284 (the "**2019 Universal Registration Document**"), with the exception of cover page (page 1), Chapter 8 (pages 231 to 233) (available for viewing at: [https://www.aldautomotive.com/Portals/international/Documents/ALD2019\\_URD\\_EN\\_V-MEL\\_20\\_04\\_09.pdf?ver=2020-04-09-203825-410](https://www.aldautomotive.com/Portals/international/Documents/ALD2019_URD_EN_V-MEL_20_04_09.pdf?ver=2020-04-09-203825-410));
2. the English version of the registration document of the Issuer dated 23 April 2019 which includes an English translation of the audited consolidated financial statements of the Issuer in respect of the year ended 31 December 2018, and a free English translation of the statutory auditors' audit report on the consolidated financial statements of the Issuer in respect of the year ended 31 December 2018 and which was filed with the *Autorité des marchés financiers* on 23 April 2019 under visa no. R.19-009 (the "**2018 Registration Document**"), with the exception of cover page (page 1), Chapter 1 (pages 7 and 8) (available for viewing at: <https://www.aldautomotive.com/Portals/international/Documents/ALD2018RegistrationDocumentALD%20Published.pdf?ver=2019-04-23-183049-490>);
3. the press release of the Issuer dated 6 May 2020 relating to the trading update of the first quarter 2020 (the "**First Quarter 2020 Results**") with the exception of the sentence under the heading "2019 EUR 0.63 Dividend per Share Proposal Maintained" (page 1) and comments by Tim Albertsen, ALD CEO (page 2) (available for viewing at: <https://www.aldautomotive.com/Portals/international/Documents/PR%20ALD%20Q1%202020.pdf?ver=2020-05-06-071305-017>); and
4. the section "Terms and Conditions of the Notes" of the following base prospectuses relating to the Programme:
  - a. base prospectus dated 27 June 2019 (pages 45 to 68) (the "**2019 Conditions**") (available for viewing at: <https://www.bourse.lu/programme-documents/Programme-Ald/13952>);
  - b. base prospectus dated 26 June 2018 (pages 42 to 65) (the "**2018 Conditions**") (available for viewing at: <https://www.bourse.lu/programme-documents/Programme-Ald/13952>); and
  - c. base prospectus dated 26 June 2017 (pages 38 to 59) (the "**2017 Conditions**") (available for viewing at: <https://www.bourse.lu/programme-documents/Programme-Ald/13952>).

**CROSS-REFERENCE TABLE IN RESPECT OF INFORMATION  
INCORPORATED BY REFERENCE REGARDING THE ISSUER AND THE GROUP**

The following consolidated table cross-references the pages of the 2018 Registration Document, the 2019 Universal Registration Document and the First Quarter 2020 Results in this Base Prospectus with the main heading required under the relevant annexes of the Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation.

<b>Annex 7</b>		
<b>A7.3</b>	<b>RISK FACTORS</b>	
A7.3.1	<p>A description of the material risks that are specific to the issuer and that may affect the issuer's ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed 'Risk Factors'.</p> <p>In each category the most material risks, in the assessment of the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence, shall be set out first. The risk factors shall be corroborated by the content of the registration document.</p>	Pages 91-101 of the 2019 Universal Registration Document
<b>A7.4</b>	<b>INFORMATION ABOUT THE ISSUER</b>	
<b>A7.4.1</b>	<b>History and development of the Issuer</b>	
A7.4.1.1	the legal and commercial name of the Issuer;	Page 224 of the 2019 Universal Registration Document
A7.4.1.2	the place of registration of the Issuer and its registration number and legal entity identifier (LEI);	Page 224 of the 2019 Universal Registration Document
A7.4.1.3	the date of incorporation and the length of life of the Issuer, except where indefinite; and	Page 224 of the 2019 Universal Registration Document
A7.4.1.4	the domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and 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 224-225 of the 2019 Universal Registration Document

<b>Annex 7</b>		
A7.4.1.5	Any recent events particular to the issuer and which are to a material extent relevant to an evaluation of the issuer's solvency.	Pages 1-6 of the First Quarter 2020 Results
A7.5	<b>BUSINESS OVERVIEW</b>	
A7.5.1	<b>Principal activities:</b>	
A7.5.1.1	A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed.	Pages 10-12, 14-15 and 20 of the 2019 Universal Registration Document
A7.5.1.2	The basis for any statements made by the issuer regarding its competitive position.	Pages 12-13 of the 2019 Universal Registration Document
A7.6	<b>ORGANISATIONAL STRUCTURE</b>	
A7.6.1	If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.	Pages 26-27 of the 2019 Universal Registration Document
A7.6.2	If the issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence	Page 28 of the 2019 Universal Registration Document
A7.9	<b>ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES</b>	
A7.9.1	Names, business addresses and functions in the issuer of the following persons, and an indication of the principal activities performed by them outside the issuer where these are significant with respect to that issuer:  (a) members of the administrative, management or supervisory bodies;	Pages 48-62 of the 2019 Universal Registration Document

<b>Annex 7</b>		
A7.9.2	Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.	Page 63 of the 2019 Universal Registration Document
A7.10	<b>MAJOR SHAREHOLDERS</b>	
A7.10.1	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.	Page 42 of the 2019 Universal Registration Document
A7.10.2	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 228 of the 2019 Universal Registration Document
A7.11	<b>FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>	

<b>Annex 7</b>	
<p><b>A7.11.1 Historical Financial Information</b></p> <p>Audited historical financial information covering the latest 2 financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year.</p> <p>(a) consolidated income statements;</p> <p>(b) consolidated statements of comprehensive income;</p> <p>(c) consolidated balance sheet;</p> <p>(d) consolidated statements of changes in equity;</p> <p>(e) consolidated statements of cash flows; and</p> <p>(f) notes to consolidated financial statements</p>	<p>Pages 176-241 of the 2018 Registration Document Pages 138-219 of the 2019 Universal Registration Document</p> <p>Page 176 of the 2018 Registration Document Page 138 of the 2019 Universal Registration Document</p> <p>Page 177 of the 2018 Registration Document Page 139 of the 2019 Universal Registration Document</p> <p>Page 178 of the 2018 Registration Document Page 140 of the 2019 Universal Registration Document</p> <p>Page 179 of the 2018 Registration Document Page 141 of the 2019 Universal Registration Document</p> <p>Pages 180-181 of the 2018 Registration Document Pages 142-143 of the 2019 Universal Registration Document</p> <p>Pages 182-237 of the 2018 Registration Document Pages 144-198 of the 2019 Universal Registration Document</p>

A7.11.1.3	<p><b>Accounting standards</b></p> <p>The financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002.</p> <p>If Regulation (EC) No 1606/2002 is not applicable the financial statements must be prepared according to:</p> <ul style="list-style-type: none"> <li>(a) a Member State's national accounting standards for issuers from the EEA as required by Directive 2013/34/EU;</li> <li>(b) a third country's national accounting standards equivalent to Regulation (EC) No 1606/2002 for third country issuers.</li> </ul> <p>Otherwise the following information must be included in the registration document:</p> <ul style="list-style-type: none"> <li>(a) a prominent statement that the financial information included in the registration document has not been prepared in accordance with International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002 and that there may be material differences in the financial information had Regulation (EC) No 1606/2002 been applied to the historical financial information;</li> <li>(b) immediately following the historical financial information a narrative description of the differences between Regulation (EC) No 1606/2002 as adopted by the Union and the accounting principles adopted by the issuer in preparing its annual financial statements.</li> </ul>	<p>Page 183 of the 2018 Registration Document</p> <p>Page 145 of the 2019 Universal Registration Document</p>
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<b>Annex 7</b>	
A7.11.2 <b>Auditing of historical financial information</b>	
<p>A7.11.2.1     The historical financial information must be independently audited. The audit report shall be prepared in accordance with the Directive 2014/56/EU and Regulation (EU) No 537/2014.</p> <p>Where Directive 2014/56/EU and Regulation (EU) No 537/2014 do not apply:</p> <p>(a) the historical financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard.</p> <p>Otherwise, the following information must be included in the registration document:</p> <p>(i) a prominent statement disclosing which auditing standards have been applied;</p> <p>(ii) an explanation of any significant departures from International Standards on Auditing;</p> <p>(b) if audit reports on the historical financial information contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full and the reasons given.</p>	<p>Pages 238-241 of the 2018 Registration Document</p> <p>Pages 199-202 of the 2019 Universal Registration Document</p>
A7.11.3 <b>Legal and arbitration proceedings</b>	<p>Pages 28-31 of the 2018 Registration Document</p> <p>Page 97 of the 2019 Universal Registration Document</p>

**CROSS-REFERENCE TABLE IN RESPECT OF THE TERMS AND CONDITIONS  
INCORPORATED BY REFERENCE**

<b>Annex 15</b>	<b>Base Prospectus dated 26 June 2017</b>	<b>Base Prospectus dated 26 June 2018</b>	<b>Base Prospectus dated 27 June 2019</b>
Terms and Conditions	Pages 38 to 59	Pages 42 to 65	Pages 45 to 68

The sections referred to in the cross-reference tables shall be deemed to be incorporated by reference in, and form part of this Base Prospectus, save any statement contained in this Base Prospectus or in a section which is incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Base Prospectus to the extent that a statement contained in any section which is subsequently incorporated by reference herein by way of a supplement prepared in accordance with Article 23 of the Prospectus Regulation modifies or supersedes such earlier statement (whether expressly or by implication, or otherwise).

In accordance with Article 19.1 of the Prospectus Regulation, the non-incorporated parts of the base prospectus dated 26 June 2017, the base prospectus dated 26 June 2018 and the base prospectus dated 27 June 2019 are not relevant for the investors.

The information that is not listed in the above cross-reference tables but included in the documents incorporated by reference, is considered as additional information, is not required by the relevant provisions of the Prospectus Regulation, is given for information purposes only and does not form part of this Base Prospectus.

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus may be inspected, free of charge, on the website of the Luxembourg Stock Exchange [www.bourse.lu](http://www.bourse.lu). For the avoidance of doubt, the content of the websites of the Luxembourg Stock Exchange and the Issuer does not form part of this Base Prospectus unless that information is incorporated by reference into the Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.



## FORMS OF THE NOTES

Each Tranche of Notes will initially be in the form of either a temporary global note (the "**Temporary Global Note**"), without interest coupons, or a permanent global note (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream**") and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream. Each of the persons shown in the records of Euroclear and/or Clearstream and/or any other relevant clearing system as being entitled to an interest in a Global Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the bearer of the Global Note.

Each Global Note will be in bearer form. Consequently, in relation to any Tranche of Notes represented by a Global Note, references in the Terms and Conditions of the Notes to "**Noteholder**" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depository or a common depository, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream and/or any other relevant clearing system, will be that depository or common depository or, as the case may be, common safekeeper.

The relevant Final Terms will specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) or any successor regulation issued under Code section 4701(b) that contains rules substantially identical to the rules that currently apply under Code section 163(F)(2)(B) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.1635(c)(2)(i)(D) or any successor regulation issued under Code section 4701(b) that contains rules substantially identical to the rules that currently apply under Code section 163(F)(2)(B) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

### **Temporary Global Note exchangeable for Permanent Global Notes**

If the relevant Final Terms specify the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, free of charge, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 calendar days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership.

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership provided, however, that in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

If the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment, then the Temporary Global Note (including the obligation to deliver a Permanent Global Note) will become void at 8.00 p.m. (Paris time) on such due date and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

#### **Temporary Global Note exchangeable for Definitive Notes**

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Notes in definitive form ("**Definitive Notes**") not earlier than 40 calendar days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 calendar days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent.

If: the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Temporary Global Note on the due date for payment, then the Temporary Global Note (including the obligation to deliver Definitive Notes) will become void at 8.00 p.m. (Paris time) on such due date and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

#### **Permanent Global Note exchangeable for Definitive Notes**

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (a) on the expiry of such period of notice as may be specified in the relevant Final Terms and subject to any applicable notice requirements set out in the Permanent Global Note ; or
- (b) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then only if any of the following events occurs:
  - (i) Euroclear or Clearstream or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
  - (ii) any of the circumstances described in Condition 11 (*Events of Default*) occurs and is continuing.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes in accordance with the terms and conditions of such Permanent Global Note, the Issuer shall procure the delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and/or Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent

Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note within 15 days commencing on the relevant due date for payment, then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 8.00 p.m. (Paris time) on such 45<sup>th</sup> day (in the case of (a) above) or at 8.00 p.m. (Paris time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

### **Rights under Deed of Covenant**

Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note or a Permanent Global Note which becomes void will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note or Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream and/or any other relevant clearing system.

### **Terms and Conditions applicable to the Notes**

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Overview of Supplemental Conditions applicable to Global Notes*" below.

### **Legend concerning United States persons**

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

### **Overview of Supplemental Conditions applicable to Global Notes**

Each Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note. The following is an overview of certain of those provisions:

*Payments:* All payments in respect of the Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered pro rata in the records of Euroclear and Clearstream.

*Payment Business Day:* In the case of a Global Note, shall be: if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

*Exercise of put option:* In order to exercise the option contained in Condition 8(h) (*Redemption at the option of Noteholders*) the bearer of the Permanent Global Note must, within the period specified in the Conditions or the

Final Terms, as applicable, for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

*Partial exercise of call option:* In connection with an exercise of the option contained in Condition 8(e) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream (to be reflected in the records of Euroclear and Clearstream as either a pool factor or a reduction in principal amount, at their discretion).

*Notices:* Notwithstanding Condition 17 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depository or a common depository for Euroclear and/or Clearstream and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 17 (*Notices*) on the date of delivery to Euroclear and/or Clearstream and/or any other relevant clearing system, except that, for so long as such Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, such notices shall also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Capitalised terms used above but not otherwise defined, shall have the meaning ascribed to them in the Terms and Conditions of the Notes.

## FORM OF FINAL TERMS

**[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:** Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the 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 or superseded, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[PROHIBITION OF SALES TO EEA AND 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 European Economic Area ("**EEA**") or the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended or superseded, "**MiFID II**") / MiFID II]; (ii) a customer within the meaning of Directive 2016/97/EU, as amended or superseded, 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 (as defined below). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended or superseded, the "**PRIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIPs Regulation.]

**[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (THE SFA) –** Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) 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).]

**Final Terms dated [●]**

**ALD**

**(formerly known as ALD International)**

**Legal entity identifier (LEI): 969500E7V019H9NP7427**

**Euro 6,000,000,000**

**Euro Medium Term Note Programme**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**

### **PART A – CONTRACTUAL TERMS**

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") set forth in the Base Prospectus dated 25 June 2020 [as supplemented by the supplement[s] dated [●]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Regulation (Regulation (EU) 2017/1129) (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Base Prospectus [as so supplemented] in order to obtain all relevant information.]

*(The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.)*

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") which are the [2019 Conditions/2018 Conditions/2017 Conditions]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation (Regulation (EU) 2017/1129) (the "**Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated 25 June 2020 [and the supplement[s] to the Base Prospectus dated [•]] in order to obtain all relevant information, save in respect of the Conditions which are the [2019 Conditions/2018 Conditions/2017 Conditions] and which are incorporated by reference in the Base Prospectus.]

In order to obtain all relevant information, the Base Prospectus [and the supplement[s] to the Base Prospectus] [is / are] available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

*(Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.)*

1.
  - (i) Series Number: [●]
  - (ii) Tranche Number: [●]
  - [(iii) Date on which the Notes become fungible: The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [●] (*insert description of the Series*) on [[●] (*insert date*)] / the Issue Date / exchange of the Temporary Global Note for interests in the Permanent Global Note / Definitive Notes, which is expected to occur on or about [●] (*insert date*)]
  
2. Specified Currency or Currencies: [●]
  
3. Aggregate Nominal Amount: [●]
  - [(i) Series: [●]]
  - [(ii) Tranche: [●]]
  
4. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●] (*insert date in the case of fungible issues only, if applicable*)]
  
5. (i) Specified Denominations: [€100,000 / [●] and integral multiples of [€1,000] in excess thereof up to and including €199,000]
- (ii) Calculation Amount: [●]
 

*[If there is only one Specified Denomination, insert the Specified Denomination.*

*If there is more than one Specified Denomination, insert the highest common factor. Note: there must be a common factor in the case of two or more Specified Denominations]*
  
6. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [[●] / Issue Date / Not Applicable]
 

*(An Interest Commencement Date will not be relevant for certain Notes, for example, Zero Coupon Notes)*
  
7. Maturity Date: [●] (*For Fixed Rate Notes, specify date*)

- [Interest Payment Date falling in or nearest to [●]] (*For Floating Rate Notes and RMB Notes, insert month and year in which Interest Payment Date is scheduled to fall*)
8. Interest Basis: [[●] per cent. Fixed Rate / (*Specify reference rate*) [+/- ] [●] per cent. Floating Rate / Zero Coupon] / [Fixed/Floating Rate]] (*further particulars specified in paragraph[s] [13/14/15] below*)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100 / [●] per cent. of their nominal amount (*this option applies to Zero Coupon Notes only*)] (*further particulars specified in paragraph[s] [16/17/18/19/20] below*)
10. Change of Interest Basis: [For the period from (and including) the Interest Commencement Date, up to (but excluding) [●] paragraph [13 / 14] applies and for the period from (and including) [●], up to (and including) the Maturity Date, paragraph [13 / 14] applies / Not Applicable].
11. Redemption Options: [Call Option]  
[Put Option]  
[Make-whole Redemption]  
[Squeeze Out Option]  
  
(*further particulars specified in paragraph[s] [16/17/18] below*)
12. Date Board approval for issuance of Notes obtained: [●]

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

13. **Fixed Rate Note Provisions** [Applicable / Not Applicable]  
  
(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable annually / semi-annually / quarterly / monthly / other (*specify*)] in arrear]
- (ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date] / *specify other* / [adjusted in accordance with the Business Day Convention and any applicable Additional Business Centre(s) for the definition of "Business Day"<sup>1</sup>] / not adjusted]
- (iii) Fixed Coupon Amount[(s)]<sup>2</sup>: [●] per Calculation Amount
- (iv) Broken Amount(s): [[●] per Calculation Amount, payable on the Interest Payment Date falling in [●] / on [●] / Not Applicable]

<sup>1</sup> This option should be selected for RMB Notes

<sup>2</sup> Not Applicable for RMB Notes

- (v) Day Count Fraction: [Actual/Actual (ICMA)/ Actual/365 / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA)]
- (vi) [Regular Dates: ] in each year *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Party responsible for calculating Interest Amounts (if not the Fiscal Agent)<sup>3</sup>:  shall be the Calculation Agent / Not Applicable *(no need to specify if the Fiscal Agent is to perform this function)*

14. **Floating Rate Note Provisions** [Applicable / Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Interest Period(s):
- (ii) Specified Period:   
*(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")*
- (iii) Specified Interest Payment Dates:   
*(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")*
- (iv) First Interest Payment Date:
- (v) Business Day Convention: Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention
- (vi) Additional Business Centre(s): [Not Applicable / ] *(insert details)*
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination / ISDA Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Fiscal Agent]):  shall be the Calculation Agent / Not Applicable *(no need to specify if the Fiscal Agent is to perform this function)*

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<sup>3</sup> Only applicable for RMB Notes



- (ix) Screen Determination: Rate [Applicable / Not Applicable]
- Reference Rate: [LIBOR/EURIBOR/SONIA/€STR/[●]]
  - Interest Determination Date(s): [●]<sup>4</sup>
  - Relevant Screen Page: [●] (*For example, Reuters LIBOR 01 or EURIBOR 01*)
  - Reference Banks: [●]
  - Calculation Method: [Weighted Average/Compounded Daily/Not Applicable]
  - Observation Method: [Lag/Lock-out/Observation Shift/Not Applicable]
  - Observation Look-back Period: [●]/[Not Applicable]<sup>5</sup>
  - D: [365/360/[●]/Not Applicable]
- (x) ISDA Determination: [Applicable / Not Applicable]
- Floating Rate Option: [●]
- (Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or EUR LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or EUR LIBOR)*
- Designated Maturity: [●]
  - Reset Date: [●]
- (xi) Linear Interpolation [Not Applicable/The Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (xii) Margin(s): [+/-][●] per cent. per annum
- (xiii) Minimum Rate of Interest: [●] per cent. per annum
- (xiv) Maximum Rate of Interest: [●] per cent. per annum
- (xv) Day Count Fraction: [Actual/Actual (ICMA)/ Actual/365 / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA)]
- (xvi) Rate Multiplier [Not Applicable / [●] [*Insert the Rate Multiplier and the applicable Interest Periods*]]

<sup>4</sup> To be at least 5 Business Days before the relevant Interest Payment Date where the Reference Rate is SONIA or €STR, unless otherwise agreed with the Principal Paying Agent.

<sup>5</sup> The Observation Look-back Period should be at least as many Business Days before the Interest Payment Date as the Interest Determination Date. "Observation Look-back Period" is only applicable where "Lag" or Observation Shift" is selected as the Observation Method; otherwise select "Not Applicable".

15. **Zero Coupon Note Provisions** [Applicable / Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Accrual Yield: [●] per cent. per annum

(ii) Reference Price: [●]

**PROVISIONS RELATING TO REDEMPTION**

16. Call Option [Applicable / Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Date(s): [●]

(ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount

(iii) If redeemable in part:

(a) Minimum Redemption Amount: [●] per Calculation Amount

(b) Maximum Redemption Amount: [●] per Calculation Amount

(iv) Notice periods: [●]

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*

17. Make-whole Redemption: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Make-whole Redemption Margin: [●]

(ii) Make-whole Redemption Rate: [Reference Dealer Quotation/Reference Screen Rate]

(iii) Reference Screen Rate: [●]/[Not Applicable]

(iv) Reference Security: [●]/[Not Applicable]

(v) Reference Dealers: [Not applicable/As set out in the Conditions]

18. Put Option [Applicable / Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount
- (iii) Notice periods: [●]

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*

19. Final Redemption Amount of each Note [●] per Calculation Amount

20. Early Redemption Amount (Tax) and Early Termination Amount

Early Redemption Amount (Tax) and/or Early Termination Amount [Not Applicable / [●] per Calculation Amount]

on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

*(If both the Early Redemption Amount (Tax) and the Early Termination Amount are the principal amount of the Notes/specify the Early Redemption Amount (Tax) and/or the Early Termination Amount if different from the principal amount of the Notes)*

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Form of Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [90 calendar days' notice / at any time / in the limited circumstances specified in the Permanent Global Note] / Temporary Global Note exchangeable for Definitive Notes on 40 calendar days' notice / Permanent Global Note exchangeable for Definitive Notes on [90 calendar days' notice / in the limited circumstances specified in the Permanent Global Note]]

*(If a Global Note is exchangeable for Definitive Notes other than "in the limited circumstances described in the Permanent Global Note", the Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination))*

22. New Global Note: [Yes / No]

23. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable / [●] (provide details)]

*(Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraphs 13(ii) and 14(ii) and 14(iii) relate)*

24. Talons for future Coupons to be attached to Definitive Notes (and [Yes / No]

dates on which such Talons  
mature):

**Third Party Information**

[[●] (*Relevant third party information*) has been extracted from [●] (*specify source*). The Issuer confirms that to the best of its knowledge such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●] (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of ALD:

By: .....

Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Application has been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange / None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from [●]. / Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from [●]. / Not Applicable.]

There can be no assurance that the listing and trading of the Notes will be approved with effect on [●] or at all.

*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*

- (iii) Estimate of total expenses related to admission to trading: [●]

### 2. RATINGS

[The Notes to be issued are expected to be rated: [●] by [S&P Global Ratings Europe Limited / Fitch Ratings Limited / [●].] / The Notes to be issued have not been rated]

Ratings: [S&P Global Ratings Europe Limited / Fitch Ratings Limited / [●]] *(Insert legal name of particular credit rating agency entity providing rating)* is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"). / [●] *(Insert legal name of particular credit rating agency entity providing rating)* appears on the latest update of the list of registered credit rating agencies (as of [●] *(insert date of most recent list)*) on the ESMA website <http://www.esma.europa.eu>. / [●] *(Insert legal name of particular credit rating agency entity providing rating)* is established in the EEA and has applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority. / [●] *(Insert legal name of particular credit rating agency entity providing rating)* is established in the EEA and is neither registered nor has it applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**").]

### 3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

*(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:)*

["Save for any fees payable to the [Dealer(s) / [●]] , so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. / [●] / Not Applicable"]

*(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 23 of the Prospectus Regulation.)*

**4. [(Fixed Rate Notes only) YIELD**

Indication of yield:

**5. [(Floating Rate Notes only) HISTORIC INTEREST RATES**

Details of historic LIBOR / EURIBOR / SONIA / €STR can be obtained from Reuters / .

**6. REASONS FOR THE OFFER**

Reasons for the offer and use of proceeds:  / See "Use of Proceeds" in the Base Prospectus]

Estimated net proceeds:

**7. OPERATIONAL INFORMATION**

ISIN Code:

Common Code:

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):  (give name(s) and number(s))]

Delivery: Delivery [against / free of] payment

Deemed delivery of clearing system notices for the purposes of Condition 17 (Notices): Any notice delivered to Noteholders through the clearing systems will be deemed to have been given on [the second business day /

Names and addresses of additional Paying Agent(s) (if any):  [Not Applicable/]

Intended to be held in a manner which would allow Eurosystem eligibility:  [Yes. Whilst the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. (include this text if "yes" selected in which case the Notes must be issued in NGN form)] /

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

**8. DISTRIBUTION**

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers and underwriting commitments: [Not Applicable / [●] (*give names and underwriting commitments*)]
- (iii) Stabilisation Manager(s) (if any): [Not Applicable / [●] (*give name*)]
- (iv) If non-syndicated, name and address of Dealer: [Not Applicable / [●] (*give name and address*)]
- (v) U.S. Selling Restrictions: [TEFRA C / TEFRA D / TEFRA not applicable]

## TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Forms of the Notes" above.

### 1. INTRODUCTION

- (a) *Programme*: ALD (formerly known as ALD International) (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to Euro 6,000,000,000 in aggregate principal amount of notes (the "**Notes**").
- (b) *Final Terms*: Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms (the "**Final Terms**") which completes these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.
- (c) *Amended and Restated Agency Agreement*: The Notes are the subject of an amended and restated issue and paying agency agreement dated 25 June 2020 (such paying agency agreement as further modified and/or supplemented and/or restated from time to time, the "**Agency Agreement**") between the Issuer, Société Générale Luxembourg as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes).
- (d) *The Notes*: All subsequent references in these Conditions to "Notes" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).
- (e) *Overview Information*: Certain provisions of these Conditions are summaries of the Agency Agreement and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. Copies of the Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

### 2. INTERPRETATION

- (a) *Definitions*: In these Conditions the following expressions have the following meanings:
  - "**Accrual Yield**" has the meaning given in the relevant Final Terms;
  - "**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;
  - "**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;
  - "**Business Day**" means:
    - (a) in relation to any sum payable in euro, a TARGET2 Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
    - (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in the



Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

**"Business Day Convention"**, in relation to any particular date, means the convention specified in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates depending upon which of the following Business Day Conventions are chosen: Following Business Day Convention, Modified Following Business Day Convention, Preceding Business Day Convention, FRN Convention or No Adjustment;

**"Calculation Agent"** means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

**"Calculation Amount"** has the meaning given in the relevant Final Terms;

**"Coupon Sheet"** means, in respect of a Note, a coupon sheet relating to the Note;

**"Day Count Fraction"** means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (a) if **"Actual/Actual (ICMA)"** is so specified, means:
- (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (b) if **"Actual/365"** or **"Actual/Actual (ISDA)"** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if **"Actual/365 (Fixed)"** is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if **"Actual/360"** is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if **"30/360"** is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

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

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

- (f) if "**30E/360**" or "**Eurobond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

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

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

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

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

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

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

**provided, however, that** in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"**Early Termination Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"**EURIBOR**" means the Euro-zone interbank offered rate;

"**Extraordinary Resolution**" has the meaning given in the Agency Agreement;

"**Final Redemption Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in accordance with the relevant Final Terms which, other than with respect to Zero Coupon Notes, shall not be less than its principal amount;

"**First Interest Payment Date**" means the date specified in the relevant Final Terms;

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms;

"**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;

"**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**

- (a) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
- (b) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
- (c) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred;

"**Interest Amount**" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"**Interest Commencement Date**" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"**Interest Determination Date**" shall mean the date specified as such in the Final Terms or if none is so specified:

- (i) if the Reference Rate is LIBOR (other than Sterling or Euro LIBOR), the second London business day prior to the start of each Interest Period;
- (ii) if the Reference Rate is Sterling LIBOR, the first day of each Interest Period; and
- (iii) if the Reference Rate is Euro LIBOR or EURIBOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period;

**"Interest Payment Date"** means the First Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

**"Interest Period"** means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

**"ISDA Definitions"** means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

**"Issue Date"** has the meaning given in the relevant Final Terms;

**"LIBOR"** means the London interbank offered rate;

**"Margin"** has the meaning given in the relevant Final Terms;

**"Maturity Date"** has the meaning given in the relevant Final Terms;

**"Maximum Redemption Amount"** has the meaning given in the relevant Final Terms;

**"Member State"** means a Member State of the European Economic Area;

**"Minimum Redemption Amount"** has the meaning given in the relevant Final Terms;

**"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

**"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

**"Optional Redemption Amount (Call)"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

**"Optional Redemption Amount (Put)"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

**"Optional Redemption Date (Call)"** has the meaning given in the relevant Final Terms;

**"Optional Redemption Date (Put)"** has the meaning given in the relevant Final Terms;

**"Payment Business Day"** means a day which is:

- (a) a day on which banks in the relevant place of presentation are open for payment of bearer debt securities and for dealings in foreign currencies; and

- (b) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Luxembourg and any Additional Financial Centre specified in the applicable Final Terms; and
- (c) either (i) in relation to interest payable in a Specified Currency other than euro and Renminbi, a day on which commercial banks and foreign exchange markets settle payments in the Principal Financial Centre of the country of the relevant Specified Currency (if other than Luxembourg and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (ii) in relation to any sum payable in euro, a TARGET2 Settlement Day, or (iii) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets settle payments in Renminbi in Hong Kong and in the relevant Additional Financial Centre(s) (if any).

**"Person"** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

**"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

**"Principal Financial Centre"** means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (a) in relation to euro, it means the Principal Financial Centre of such Member State as is selected (in the case of a calculation) by the Calculation Agent;
- (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a calculation) by the Calculation Agent; and
- (c) in relation to Renminbi, it means Hong Kong or the Additional Financial Centre specified in the applicable Final Terms;

**"Put Option Notice"** means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

**"Put Option Receipt"** means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

**"Rate of Interest"** means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions;

**"Redemption Amount"** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

**"Reference Banks"** has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

**"Reference Price"** has the meaning given in the relevant Final Terms;

**"Reference Rate"** shall mean LIBOR or EURIBOR in each case for the relevant period, as specified in the relevant Final Terms;

**"Regular Period"** means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period.

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Financial Centre**" shall mean London, in the case of a determination of LIBOR and Brussels, in the case of a determination of EURIBOR;

"**Relevant Screen Page**" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Time**" shall mean in the case of LIBOR, 11.00 a.m. and in the case of EURIBOR, 11.00 a.m. in each case in the Relevant Financial Centre;

"**Reserved Matter**" means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution or to amend this definition;

"**Specified Currency**" has the meaning given in the relevant Final Terms;

"**Specified Denomination(s)**" has the meaning given in the relevant Final Terms;

"**Specified Office**" has the meaning given in the Agency Agreement;

"**Specified Period**" has the meaning given in the relevant Final Terms;

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**");

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

"**Talon**" means a talon for further Coupons;

"**TARGET2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"**TARGET2 Settlement Day**" means any day on which TARGET2 is open for the settlement of payments in euro;

"**Treaty**" means the Treaty establishing the European Communities, as amended; and

"**Zero Coupon Note**" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation:* In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 10 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 10 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being "outstanding" shall be construed in accordance with the Agency Agreement;
- (vii) if an expression is stated in Condition 2(a) above to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes; and
- (viii) any reference to the Agency Agreement shall be construed as a reference to the Agency Agreement as amended and/or supplemented up to and including the Issue Date of the Notes.

### 3. **FORM, DENOMINATION AND TITLE**

The Notes are issued in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Notes with more than one Specified Denomination, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination. Notes are serially numbered and issued with Coupons attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date) and Coupons in these Conditions are not applicable. Title to the Notes and the Coupons will pass by delivery. The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

For the avoidance of doubt, the minimum Specified Denomination of Notes admitted to trading on a regulated market within the European Economic Area or the United Kingdom or offered to the public in a Member State or the United Kingdom will be Euro 100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

### 4. **STATUS**

The Notes and Coupons are direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all other present and future direct, unconditional, unsecured and unsubordinated

obligations of the Issuer (except any such obligations as are preferred by law) and *pari passu* and rateably without any preference or priority among themselves.

## 5. FIXED RATE NOTE PROVISIONS

- (a) *Application:* This Condition 5 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest on their principal amount from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 9 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (*Fixed Rate Note Provisions*) (as well as before any 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 days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. If the amount of interest payable for any period would otherwise be an amount less than zero, such amount shall be deemed to be zero.
- (e) *RMB Notes:* Notwithstanding the foregoing, Notes denominated in RMB (the "**RMB Notes**") which are Fixed Rate Notes bear interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest. For the purposes of calculating the amount of interest, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. Interest will be payable in arrear on each Interest Payment Date. The Calculation Agent will, as soon as practicable after 11.00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified Denomination, or if different, the Calculation Amount, for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination, or if different, the Calculation Amount, by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties. The Calculation Agent will cause the amount of interest payable per Specified Denomination, or if different, the Calculation Amount, for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Noteholders as soon as possible after their determination but in no event later than the fourth Business Day thereafter. The amount of interest payable per Specified Denomination, or if different, the Calculation Amount, and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9 (*Payments*), the accrued interest per Specified Denomination, or if different, the Calculation Amount, shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Specified



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

- (f) *Fixed/Floating Rate Notes:* Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the Final Terms from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate at the date set out in the Final Terms.

## 6. FLOATING RATE NOTE PROVISIONS

- (a) *Application:* This Condition 6 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest on their principal amount from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 9 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (*Floating Rate Note Provisions*) (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 days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Screen Rate Determination (other than Floating Rate Notes which reference SONIA or €STR):* If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and the Reference Rate specified in the applicable Final Terms is not SONIA or €STR, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:
- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
  - (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
  - (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
    - (A) request the principal office of each of the Reference Banks in the Principal Financial Centre of the Specified Currency to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date offered to leading banks in the interbank market of the Principal Financial Centre of the Specified Currency in an amount that is representative for a single transaction in that market at that time; and
    - (B) determine the arithmetic mean of such quotations; and

- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by leading banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the rate or (as the case may be) the arithmetic mean so determined plus or minus (as specified in the relevant Final Terms) the Margin (if any); **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period plus or minus (as specified in the relevant Final Terms) the Margin (if any).

(d) *Screen Rate Determination which reference SONIA or €STR*

- (i) If Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate specified in the applicable Final Terms is SONIA or €STR:

- (A) where the Calculation Method in respect of the relevant Series of Notes is specified in the applicable Final Terms as being Compounded Daily, the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 6(e) (*Benchmark Replacement*) and Condition 6(h) (*Maximum or Minimum Rate of Interest*)) be the Compounded Daily Reference Rate plus or minus (as indicated in the applicable Final Terms) the Margin, all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

- (B) where the Calculation Method in respect of the relevant Series of Notes is specified in the applicable Final Terms as being Weighted Average, the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 6(e) (*Benchmark Replacement*) and Condition 6(h) (*Maximum or Minimum Rate of Interest*)) be the Weighted Average Reference Rate plus or minus (as indicated in the applicable Final Terms) the Margin, all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

- (ii) Where SONIA is specified as the Reference Rate in the applicable Final Terms, subject to Condition 6(e) (*Benchmark Replacement*), if, in respect of any Business Day, the Calculation Agent determines that the SONIA rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be:

- (A) (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day; plus (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or

- (B) if the Bank Rate is not published by the Bank of England at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day, the SONIA rate

published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

Notwithstanding the paragraph above, and without prejudice to Condition 6(e) (*Benchmark Replacement*), in the event of the Bank of England publishing guidance as to (i) how the SONIA rate is to be determined or (ii) any rate that is to replace the SONIA rate, the Calculation Agent shall, subject to receiving written instructions from the Issuer and to the extent reasonably practicable, follow such guidance in order to determine the SONIA rate, for purposes of the Notes, for so long as the SONIA rate is not available or has not been published by the authorised distributors. To the extent that any amendments or modifications to the Terms and Conditions of the Notes or the Agency Agreement are required in order for the Calculation Agent to follow such guidance in order to determine the Rate of Interest, the Calculation Agent shall have no obligation to act until such amendments or modifications have been made in accordance with the Terms and Conditions of the Notes and the Agency Agreement. No consent of the Noteholders shall be required in connection with effecting any amendment or modification in accordance with the foregoing, including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Agency Agreement (if required).

- (iii) Where €STR is specified as the Reference Rate in the applicable Final Terms, subject to Condition 6(e) (*Benchmark Replacement*), if, in respect of any Business Day, the Calculation Agent determines that the Reference Rate does not appear on the Relevant Screen Page, such Reference Rate shall be the €STR for the first preceding Business Day on which the €STR was published on the Relevant Screen Page.
- (iv) For the purposes of this Condition 6(d):

"**Applicable Period**" means,

- (A) where Lag or Lock-out is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; and
- (B) where Observation Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"**Business Day**" or "**BD**", means, (i) where SONIA is specified as the Reference Rate, any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and (ii) where €STR is specified as the Reference Rate, a TARGET Settlement Day;

"**Compounded Daily Reference Rate**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the applicable Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent as at the relevant Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{r_{i-pBD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

Where:

"**D**" is the number specified in the applicable Final Terms;

"**d**" means, for the relevant Applicable Period, the number of calendar days in such Applicable Period;

"**d<sub>o</sub>**" means, for the relevant Applicable Period, the number of Business Days in such Applicable Period;

"**€STR**" means, in respect of any Business Day, a reference rate equal to the daily euro short-term rate for such euro Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank currently at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the "**ECB's Website**") in each case, on or before 9:00 a.m., (Central European Time) on the euro Business Day immediately following such Business Day;

"**i**" means, for the relevant Applicable Period, a series of whole numbers from one to **d<sub>o</sub>**, each representing the relevant Business Day in chronological order from and including, the first Business Day in such Applicable Period;

"**Lock-out Period**" means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date (such period not to be less than five Business Days without the Calculation Agent's prior written agreement);

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

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

"**p**" means, for any Interest Period:

- (A) where Lag is specified as the Observation Method in the applicable Final Terms, the number of Business Days included in the Observation Look-back Period specified in the applicable Final Terms (or, if no such number is specified five Business Days);
- (B) where Lock-out is specified as the Observation Method in the applicable Final Terms, zero;
- (C) where Observation Shift is specified as the Observation Method in the applicable Final Terms, the number of Business Days included in the Observation Look-back Period specified in the applicable Final Terms (or if no such number is specified, five Business Days);

"**r**" means:

- (A) where in the applicable Final Terms SONIA is specified as the Reference Rate and either Lag or Observation Shift is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day;
- (B) where in the applicable Final Terms €STR is specified as the Reference Rate and either Lag or Observation Shift is specified as the Observation Method, in respect of any Business Day, the €STR in respect of such Business Day;
- (C) where in the applicable Final Terms SONIA is specified as the Reference Rate and Lock-out is specified as the Observation Method:
  - (i) in respect of any Business Day "**i**" that is a Reference Day, the SONIA rate in respect of the Business Day immediately preceding such Reference Day, and

- (ii) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the SONIA rate in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date);
- (D) where in the applicable Final Terms "€STR" is specified as the Reference Rate and Lock-out is specified as the Observation Method:
- (i) in respect of any Business Day "i" that is a Reference Day, the €STR in respect of the Business Day immediately preceding such Reference Day, and
  - (ii) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the €STR in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date);

**"Reference Day"** means each Business Day in the relevant Interest Period, other than any Business Day in the Lock-out Period;

**" $r_{i-p}^{BD}$ "** means the applicable Reference Rate as set out in the definition of "r" above for, (i) where, in the relevant Final Terms, Lag is specified as the Observation Method, the Business Day (being a Business Day falling in the relevant Observation Period) falling "p" Business Days prior to the relevant Business Day "i" or, (ii) otherwise, the relevant Business Day "i";

**"SONIA"** means, in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors in each case on the Business Day immediately following such Business Day;

**"TARGET Settlement Day"** means any day on which TARGET2 is open for the settlement of payments in euro;

**"Weighted Average Reference Rate"** means:

- (A) where Lag is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day; and
- (B) where Lock-out is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Period, calculated by multiplying each relevant Reference Rate by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Period, provided however that for any calendar day of such Interest Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall, subject to the

proviso above, be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day.

- (e) *Benchmark Replacement:* Notwithstanding Condition 6(c)(iv) above, if, at any time prior to or on any Interest Determination Date, the Issuer in consultation with the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, that a Benchmark Trigger Event has occurred:
- (i) the Issuer will as soon as reasonably practicable (and in any event prior to the next following Interest Determination Date (up until which time Condition 6(c)(iv) above will continue to apply)) use its reasonable endeavours to appoint an agent (the "**Reference Rate Determination Agent**") that shall determine, acting in good faith and in a commercially reasonable manner whether, for the purposes of determining the Reference Rate on each following Interest Determination Date, a Successor Rate or, failing which, a Substitute Rate is available. If the Reference Rate Determination Agent determines that there is a Successor Rate or a Substitute Rate, the Reference Rate Determination Agent will use such Successor Rate or Substitute Rate to determine the Reference Rate (such rate, the "**Replacement Reference Rate**"). The Reference Rate Determination Agent may be (i) a leading bank or a broker-dealer in the Principal Financial Centre of the Specified Currency (which may include one of the Dealers involved in the issue of the Notes), (ii) an independent financial adviser, (iii) an affiliate of the Issuer and/or (iv) the Calculation Agent;
  - (ii) if the Reference Rate Determination Agent has determined a Replacement Reference Rate in accordance with the foregoing, the Reference Rate Determination Agent will also determine concomitant changes (if any) to the Business Day Convention, the definition of Business Day, the Interest Determination Date, the Day Count Fraction, and any method for obtaining the Replacement Reference Rate, and such other changes or adjustments necessary to make such Replacement Reference Rate as comparable as possible to the Reference Rate (including, but not limited to, any Adjustment Spread), in each case in a manner that is consistent with industry-accepted practices for such Replacement Reference Rate and such guidance promulgated by associations involved in the establishment of market standards and/or protocols in the international financial and/or debt capital markets as the Reference Rate Determination Agent may consider relevant for such Replacement Reference Rate;
  - (iii) references to the "Reference Rate" in these Conditions will thenceforth be deemed to be references to the Replacement Reference Rate, including any concomitant changes and adjustments determined in accordance with paragraph (ii) above. The determination of the Replacement Reference Rate and such concomitant changes and adjustments by the Reference Rate Determination Agent will (in the absence of manifest error, bad faith or fraud in the determination of the Replacement Reference Rate and any concomitant change and adjustments) be final and binding on the Issuer, the Calculation Agent, the Fiscal Agent, the Noteholders and any other person and each Noteholder shall be deemed to have accepted the Replacement Reference Rate and such related changes and adjustments pursuant to this Condition 6(e); and
  - (iv) as soon as reasonably practicable, the Reference Rate Determination Agent will notify the Issuer of the foregoing and the Issuer will give notice to the Noteholders (in accordance with Condition 17 (*Notices*))) and the Fiscal Agent specifying the Replacement Reference Rate, as well as the concomitant changes and adjustments determined in accordance with paragraph (b) above.

If the Reference Rate Determination Agent has determined that a Benchmark Trigger Event has occurred, and for any reason a Replacement Reference Rate has not been or cannot be determined on or prior to the next following Interest Determination Date, then no Replacement Reference Rate will be adopted, and in such case, the Rate of Interest applicable to the Notes will be the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period plus or minus (as specified in the relevant Final Terms) the Margin (if any).

In such circumstances, the Issuer will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of this Condition 6(e), *mutatis mutandis*, on one or more occasions until a Replacement Reference Rate has been determined and notified in accordance with this Condition 6 (and, until such determination and notification (if any), the fallback provisions provided elsewhere in these terms and conditions will continue to apply in accordance with their terms).

Where:

**"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 Rate Determination Agent determines and which is required to be applied to the Successor Rate or the Substitute 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 and Couponholders as a result of the replacement of the original Reference Rate with the Successor Rate or the Substitute Rate, as the case may be, and is the spread, formula or methodology which:

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

**"Benchmark"** means any figure which is a "benchmark" for the purposes of the BMR and where any amount payable under the Notes or the Reference Rate is determined by reference in whole or in part to such figure.

**"Benchmark Event"** means, based on publicly available information that reasonably confirms that any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the original Reference Rate or the administrator or sponsor of the original Reference Rate has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the Issuer or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use the original Reference Rate to perform its or their respective obligations under the Notes.

**"Benchmark Trigger Event"** means an Index Cessation Event or a Benchmark Event.

**"BMR"** means the EU Benchmark Regulation (Regulation (EU) 2016/1011) (as may be amended from time to time).

**"Index Cessation Event"** means the occurrence of one or more of the following events:

- (a) a public statement or publication of information by or on behalf of the administrator of the original Reference Rate announcing that it has ceased or will cease to provide the original Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the original Reference Rate; or
- (b) a public statement or publication of information by the supervisor of the administrator of the original Reference Rate, the central bank for the currency of the original Reference Rate, an insolvency official with jurisdiction over the administrator for the original Reference Rate, a resolution authority with jurisdiction over the administrator

for the original Reference Rate, or a court or an entity with similar insolvency or resolution authority over the administrator for the original Reference Rate, which states that the administrator of the original Reference Rate, has ceased or will cease to provide the original Reference Rate, permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the original Reference Rate; or

- (c) the making of a public statement by the administrator of the original Reference Rate, or by the supervisor of such administrator, that the methodology for calculating the original Reference Rate has been changed, or will change, materially.

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

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

**"Substitute Rate"** means an alternative benchmark or screen rate which the Reference Rate Determination Agent determines in accordance with Condition 6 (e) has replaced the original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes.

**"Successor Rate"** means a successor to or replacement of the original Reference Rate which is formally recommended by any Relevant Nominating Body.

- (f) *ISDA Determination:* If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the relevant ISDA Rate plus or minus (as specified in the relevant Final Terms) the Margin (if any) where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
  - (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
  - (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
  - (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms.
- (g) *Linear Interpolation:* Where Linear Interpolation is specified in the relevant Final Terms as applicable in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified in the relevant Final Terms as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified in the relevant Final Terms as applicable), one of which shall be determined as if the Applicable Maturity (as defined below) were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of



which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

- (h) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- (i) *Rate Multiplier:* If any Rate Multiplier is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Periods, in the case of (y), calculated in accordance with Condition 6(c) above by multiplying the Rate of Interest in respect of the relevant Interest Period by the relevant Rate Multiplier, subject to any applicable Maximum Rate of Interest and/or Minimum Rate of Interest as described in Condition 6(h) above.
- (j) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. If the amount of interest payable for any period would otherwise be an amount less than zero, such amount shall be deemed to be zero.
- (k) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- (l) *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

## 7. ZERO COUPON NOTE PROVISIONS

- (a) *Application:* This Condition 7 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

- (b) *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) 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 days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

## 8. REDEMPTION AND PURCHASE

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 9 (*Payments*).
- (b) *Redemption for tax reasons:* The Notes may be redeemed at the option of the Issuer in whole, but not in part:
  - (i) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or
  - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 45 calendar days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

- (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 10 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of France or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and
  - (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided, however, that no such notice of redemption shall be given earlier than where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.
- (c) *Special tax redemption:* If the Issuer would, on the occasion of the next payment of principal or interest in respect of the Notes, be prevented by the laws of France from causing payment to be made to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 10 (*Taxation*), then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall, upon giving not less than 7 nor more than 45 calendar days' prior notice to the Noteholders in accordance with Condition 17 (*Notices*), forthwith redeem all, but not some only, of the Notes at their Early Redemption Amount (Tax), together, if appropriate, with accrued interest, on the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice to Noteholders shall be the later of:

- (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes; and
  - (ii) 14 days after giving notice to the Fiscal Agent as aforesaid.
- (d) *Final Terms:* The Notes cannot be redeemed prior to their Maturity Date (except as otherwise provided in paragraphs (b) and (c) above and in Condition 11 (*Events of Default*), except if the Final Terms applicable to the Notes indicate that such Notes will be redeemable at the option of the Issuer and/or the holders of the Notes prior to such Maturity Date in accordance with the provisions of paragraphs (e), (f), (h) and/or (i) below on the date or dates and at the amount or amounts indicated in the applicable Final Terms.
- (e) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving (unless otherwise specified in the applicable Final Terms) not less than 30 nor more than 45 calendar days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).
- (f) *Make-whole Redemption:* Unless specified as not being applicable in the relevant Final Terms, the Issuer may, subject to compliance with all relevant laws, regulations and directives and on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 17 (*Notices*) to the Noteholders, redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date (the "**Make-whole Redemption Date**"). Any such redemption of Notes shall be made at their Make-whole Redemption Amount.

"**Make-whole Redemption Amount**" means an amount calculated by the Calculation Agent and equal to the greater of (x) 100 per cent. of the principal amount of the Notes so redeemed and (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes (excluding any interest accrued on the Notes to, but excluding, the relevant Make-whole Redemption Date) discounted to the relevant Make-whole Redemption Date on an annual basis at the Make-whole Redemption Rate plus a Make-whole Redemption Margin, plus in each case, any interest accrued on the Notes to, but excluding, the Make-whole Redemption Date.

"**Make-whole Redemption Margin**" means the margin specified as such in the relevant Final Terms.

"**Make-whole Redemption Rate**" means (i) the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Security on the fourth Business Day preceding the Make-whole Redemption Date at 11:00 a.m. (Central European Time (CET)) ("**Reference Dealer Quotation**") or (ii) the Reference Screen Rate, as specified in the relevant Final Terms.

"**Reference Dealers**" means each of the four banks selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues, or such other banks or method of selection of such banks as specified in the relevant Final Terms.

"**Reference Screen Rate**" means the screen rate specified as such in the relevant Final Terms.

"**Reference Security**" means the security specified as such in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

If the Reference Security is no longer outstanding, a Similar Security will be chosen by the Calculation Agent at 11:00 a.m. (CET) on the third Business Day preceding the Make-whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer and published by or on behalf of the Issuer in accordance with Condition 17 (*Notices*) and the definition of Make-Whole Redemption Rate shall be amended accordingly.

"**Similar Security**" means a reference bond or reference bonds issued by the same issuer as the Reference Security having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.

The Make-whole Redemption Rate will be published by the Issuer in accordance with Condition 17 (*Notices*).

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

- (g) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 8(e) (*Redemption at the option of the Issuer*) and/or Condition 8(f) (*Make-whole Redemption*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 8(e) (*Redemption at the option of the Issuer*) and/or Condition 8(f) (*Make-whole Redemption*) shall specify the serial numbers of the Notes so to be redeemed. In respect of Condition 8(e) (*Redemption at the option of the Issuer*) only, if any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.
- (h) *Redemption at the option of Noteholders:* If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 8(h) (*Redemption at the option of Noteholders*), the holder of a Note must, not less than 15 nor more than 30 days or some other period of notice as is specified in the applicable Final Terms before the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 8(h) (*Redemption at the option of Noteholders*), may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 8(h) (*Redemption at the option of Noteholders*), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.
- (i) *Squeeze out Option:* If 80 per cent. or more of the original aggregate principal amount of the Notes of any Series have been redeemed or repurchased by the Issuer, the Issuer may (the "**Squeeze Out Option**"), on not less than 30 nor more than 60 calendar days' irrevocable notice to the Noteholders in accordance with Condition 17 (*Notices*) at any time prior to the Maturity Date, redeem on a date to be specified in such notice (the "**Squeeze Out Redemption Date**"),

at its option, all (but not some only) of the remaining Notes of that Series at their principal amount, together with interest accrued to but excluding the Squeeze Out Redemption Date.

- (j) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (i) above.
- (k) *Early redemption of Zero Coupon Notes:* Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 8(k) (*Early redemption of Zero Coupon Notes*) or, if none is so specified, a Day Count Fraction of 30E/360.

- (l) *Purchase:* The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, subject to applicable laws and/or regulations provided that all unmatured Coupons are purchased therewith. All Notes so purchased by the Issuer may either (i) be held and resold in accordance with applicable laws and regulations or (ii) be cancelled in accordance with Condition 8(m) (*Cancellation*) below.
- (m) *Cancellation:* All Notes redeemed or purchased by the Issuer or any of its Subsidiaries for cancellation and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

## 9. PAYMENTS

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Notes at the Specified Office of any Paying Agent outside the United States (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency and (ii) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.
- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.
- (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (d) *Payments subject to fiscal laws:* All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 10 (*Taxation*) and (ii) any withholding or deduction

required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

- (e) *Deductions for unmatured Coupons:* If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Note is presented without all unmatured Coupons relating thereto:
  - (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; provided, however, that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
  - (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
    - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; **provided, however,** that where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
    - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that,** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- (f) *Unmatured Coupons void:* If the relevant Final Terms specifies that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 8(b) (*Redemption for tax reasons*), Condition 8(c) (*Special tax redemption*), Condition 8(e) (*Redemption at the option of the Issuer*), Condition 8(f) (*Make-whole Redemption*), Condition 8(h) (*Redemption at the option of Noteholders*) or Condition 11 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (g) *Payments on business days:* If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (h) *Payments other than in respect of matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).

- (i) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (j) *Exchange of Talons:* On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 12 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.
- (k) *Alternative Payment in U.S. Dollar:* If Inconvertibility, Non-transferability or Illiquidity (each as defined below) occurs, the Issuer, on giving not less than five nor more than 30 days irrevocable notice in accordance with Condition 17 (*Notices*) to the Noteholders prior to the due date for payment, shall be entitled to satisfy its obligations in respect of such payment by making such payment in U.S. dollars on the basis of the Spot Rate on the second FX Business Day prior to such payment or, if such rate is not available on such second FX Business Day, on the basis of the rate most recently available prior to such second FX Business Day.

Any payment made under such circumstances in U.S. dollars will constitute valid payment, and will not constitute a default in respect of the Notes.

"**FX Business Day**" shall mean a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in U.S. dollars in Hong Kong and New York.

"**Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong.

"**Illiquidity**" means the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the RMB Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two RMB Dealers.

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the RMB Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the issue date of such RMB Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the issue date of the relevant RMB Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**PRC**" means the People's Republic of China which, for the purpose of these Conditions, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**RMB**" means the lawful currency of the PRC;

"**RMB Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong.

"**RMB Rate Calculation Agent**" means the agent appointed from time to time by the Issuer for the determination of the Spot Rate or identified as such in the relevant Final Terms.

**"RMB Rate Calculation Business Days"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City.

**"RMB Rate Calculation Date"** means the day which is two RMB Rate Calculation Business Days before the due date for payment of the relevant Renminbi amount under the Conditions.

**"Spot Rate"** for a RMB Rate Calculation Date means the spot U.S. dollar/RMB exchange rate for the purchase of U.S. dollars with RMB in the over-the-counter Renminbi exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11.00 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the RMB Rate Calculation Agent will determine the Spot Rate at or around 11:00 a.m. (Hong Kong time) on the RMB Rate Calculation Date as the most recently available U.S. dollar/RMB official fixing rate for settlement on the relevant due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

The Calculation Agent will not be responsible or liable to the Issuer or any holder of the Notes for any determination of any Spot Rate determined in accordance with this provision in the absence of its own gross negligence, bad faith or wilful misconduct.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 9 (*Payments*) by the Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Paying Agents and all Noteholders.

## 10. TAXATION

- (a) All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law.
- (b) If, pursuant to French laws or regulations, payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer become subject to withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France, or any political subdivision therein, or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction 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 in respect of any Note or Coupon:
  - (i) presented for payment by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with France other than the mere holding of the Note or Coupon;
  - (ii) presented for payment by or on behalf of a holder or on a bank account located in a non-cooperative state or jurisdiction, as defined by article 238-0 A of the French Code *général des impôts* other than those mentioned in Article 238-0 A 2 bis 2° of the same Code or payment with respect to the Notes on a bank account opened in such non-cooperative state or jurisdiction;



- (iii) where the payment made by the Issuer to the holder could have been made without a tax deduction if the holder had completed the applicable procedural formalities necessary for that holder to obtain the benefit from a reduced rate of tax deduction by application of a double tax agreement, but the holder did not complete such procedural formalities in respect of such payment; or
- (iv) presented for payment more than thirty days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of thirty days.

#### 11. **EVENTS OF DEFAULT**

The holder of any Note may give written notice to the Issuer that the Notes are, and they shall accordingly forthwith become immediately due and repayable at their Early Termination Amount together with, if appropriate and subject as otherwise provided herein, interest accrued to the date of repayment, upon the occurrence of any of the following events (each an "**Event of Default**"):

- (a) default by the Issuer is made in the payment of any interest or principal due in respect of the Notes of a Series or any of them and such default continues for a period of 30 days; or
- (b) the Issuer fails to perform or observe any of its other obligations under or in respect of the Notes of a Series and (except in any case where such failure is incapable of remedy when no such continuation as is hereinafter mentioned will be required) the failure continues for a period of 60 days next following the service on the Issuer of a notice requiring the same to be remedied; or
- (c) the Issuer becomes insolvent or is unable to pay its debts as they fall due, an administrator or liquidator is appointed (or application from any such appointment is made) in respect of the Issuer or the Issuer consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or the Issuer consents to a petition for its winding-up or liquidation by it or by such administrator or liquidator, provided that proceedings instituted or petitions presented by creditors and not consented to by the Issuer shall not constitute an Event of Default.

#### 12. **PRESCRIPTION**

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

#### 13. **REPLACEMENT OF NOTES AND COUPONS**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

#### 14. **AGENTS**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Paying Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent or Calculation Agent and additional or successor paying agents; **provided, however, that:**

- (a) the Issuer shall at all times maintain a Fiscal Agent; and
- (b) if a Calculation Agent is specified in the relevant Final Terms the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

#### 15. MEETINGS OF NOTEHOLDERS; MODIFICATION AND WAIVER

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by them upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than two-thirds or, at any adjourned meeting, one-third of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) *Modification:* The Notes, these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

#### 16. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

#### 17. NOTICES

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) and, if the Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, a

leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice shall be deemed to have been validly given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

18. **ROUNDING**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

19. **GOVERNING LAW AND JURISDICTION**

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law.
- (b) *English courts:* Subject to Condition 19(d) below, the courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes).
- (c) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Rights of the Noteholders to take proceedings outside England:* To the extent allowed by law, the Noteholders may take (i) proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction and (ii) concurrent Proceedings in any number of jurisdictions.
- (e) *Service of process:* The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Société Générale, London Branch ("**SGLB**"), currently of SG House, 41 Tower Hill, London EC3N 4SG, or to such other person with an address in England or Wales and/or at such other address in England or Wales as the Issuer may specify by notice in writing to the Noteholders. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes will be applied by the Issuer for general corporate purposes. If in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## TAXATION

*The following is an overview of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective Purchasers should be aware that the statements below are of a general nature and do not constitute legal or tax advice and should not be understood as such. Prospective purchasers of Notes should therefore consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This overview is based upon the law and interpretation hereof as in effect on the date of this Base Prospectus and is subject to any change in law and/or interpretation hereof that may take effect after such date, possibly with retroactive effect.*

### French Taxation

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

#### *Withholding taxes applicable on payments made outside France*

Payments of interest and other similar 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 those mentioned in 2° of 2 bis of the same Article 238-0 A. If such payments under the Notes are made outside France in a Non-Cooperative State other than those mentioned in 2° of 2 bis of Article 238-0 A of the French *Code général des impôts*, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of an 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 published by a ministerial order ("*arrêté*") which was last updated on 6 January 2020 and currently includes, in addition to Panama which was already included in the former version of this list, the American Samoa, Anguilla, Bahamas, the British Virgin Islands, Fiji, Guam, Oman, Samoa, Seychelles, Trinidad and Tobago, the United States Virgin Islands and Vanuatu. States referred to in Article 238-0 A 2 bis 2°, and thus outside of the scope of Article 125 A III of the French Tax Code, currently are the American Samoa, Fiji, Guam, Oman, Samoa, Trinidad and Tobago and the United States Virgin Islands.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other similar revenues on such Notes will not be deductible from the Issuer's taxable income, if they are (i) paid or accrued to persons domiciled or established in a State or territory outside France where they benefit from a preferential tax regime within the meaning of Article 238 A of the French *Code général des impôts* (the "**Preferential Regime State**") or in a Non-Cooperative State or (ii) paid to an account held with a financial institution established in a Preferential Regime State or in a Non-Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and other similar revenues may be recharacterised as constructive dividends pursuant to Articles 109 and *seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other similar revenues may be subject to the withholding tax set out under Article 119 bis 2 of the French *Code général des impôts*, at (i) a rate of 12.8 per cent. for payments benefiting individuals who are not French tax residents, (ii) 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* for fiscal years beginning as from 1 January 2020 (i.e. 28 per cent. for fiscal years beginning as from 1 January 2020) for payments benefiting legal persons who are not French tax residents or (iii) a rate of 75 per cent. for payments made outside France in a Non-Cooperative State other than those mentioned in 2° of 2 bis of Article 238-0 A of the French *Code général des impôts* (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

However, with regard to interest and other similar revenues paid under the Notes to persons domiciled or established in a Preferential Regime State or paid to an account held with a financial institution established in a Preferential Regime, neither the Deductibility Exclusion nor the withholding tax set out under Article 119 bis 2 of the French *Code général des impôts* that may be levied as a result of the Deductibility Exclusion will apply in respect of an issue of Notes if the Issuer can prove that the relevant interest or other similar revenues relate to genuine transactions and are not in an abnormal or exaggerated amount.

Furthermore, with regard to interest and other similar revenues paid under the Notes to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in a Non-Cooperative State, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts*

nor, to the extent the relevant interest or other similar revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion (and therefore the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts* which may apply as a result of the Deductibility Exclusion) will apply in respect of an issue of Notes if the Issuer can prove that the main purpose and effect of such issue of Notes were not that of allowing the payments of interest and other similar revenues to be made in a Non-Cooperative State (the "**Exception**"). Nevertheless, pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* (BOI-INT-DG-20-50-20140211, n°550 and n°990), an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

- (i) 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* for which the publication of a prospectus is mandatory or pursuant to an equivalent offer made in a State other than 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; or
- (ii) admitted to trading on a French or foreign regulated market or 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 any other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payment 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.

#### *Withholding taxes applicable on payments made to French tax resident investors*

Pursuant to Article 125 A I of the French *Code général des impôts*, where the paying agent (*établissement payeur*) is established in France and subject to certain exceptions, interest and other similar revenues received by individuals fiscally domiciled in France are subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the withholding tax has been paid. Social contributions (CSG, CRDS and solidarity levy) are also withheld at source at an aggregate rate of 17.2 per cent. on such interest and other similar revenues, subject to certain exceptions.

#### **Luxembourg Taxation**

*The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the Notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. This description is based upon the law as in effect on the date of this Prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.*

All payments of interest and principal by the Luxembourg Paying Agent under the Notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to the application, as regards Luxembourg resident individuals, of the Luxembourg law of 23 December 2005 which has introduced a 20 per cent. final withholding tax on savings income.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg law of 23 December 2005 is assumed by the Luxembourg paying agent within the meaning of this law and not by the Issuer.

#### **FATCA**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**")

to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including France) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("IGAs"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign pass-through payments are published in the U.S. Federal Register. Noteholders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

## Further Tax Considerations

### *Changes to applicable tax regimes*

The Issuer is subject to complex and evolving tax legislation in the countries in which it operates. Changes in tax laws or regulations or in their interpretations could adversely affect its tax position, such as its effective tax rate or tax payments.

In particular, European and French tax laws and regulations are extremely complex and are subject to varying interpretations. For example, the current incorporation into French tax law of the Organization for Economic Cooperation and Development's (the "OECD") principles related to base erosions and profit shifting ("BEPS") included in the final reports released by the OECD as well as the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS signed in Paris on 7 June 2017, may increase the administrative efforts within the Issuer's business and impact existing structures.

Furthermore, the European Union continues to harmonize the tax legislation of the Member States. In this respect, the Council of the European Union (the "**Council of the European Union**") adopted a directive "*laying down rules against tax avoidance practices that directly affect the functioning of the internal market*" on 12 July 2016 (Council Directive 2016/1164) (the "**ATAD**"). The ATAD was later amended on 29 March 2017 by the Council Directive (EU) 2017/952 (the "**ATAD 2**"), which, *inter alia*, extends the scope of the ATAD to hybrid mismatches involving third countries and provides that its provisions shall apply (subject to certain exceptions) from 1 January 2020. Amongst the set of proposed measures, the ATAD provides for a general interest limitation rule pursuant to which the tax deduction of net financial expenses would be limited to 30% of the taxpayer's earnings before interest, tax, depreciation and amortization (EBITDA) or to a maximum amount of €3 million, whichever is higher (subject to several exceptions). Such new rules already apply since 1 January 2019 following to the transposition into French tax law by Article 34 of the French Finance Law for 2019 (Law 2018-1317 of 28 December 2018) (the "**French Finance Law for 2019**") of the general interest limitation rule provided for by the ATAD. The French Finance Law for 2020 (Law 2019-1479 of 28 December 2019) (the "**French Finance Law for 2020**") also introduced under French tax law the provisions of the ATAD 2 and thus repealed the existing French anti-hybrid rules, as set forth in Article 212-I-b of the French *code général des impôts* (the "**French Tax Code**"). See "*Risk factors—Restriction to interest deductibility*" for more details on this rule.

In addition, Article 108 of the French Finance Law for 2019 introduced under French tax law, the anti-abuse provision provided for by the ATAD with respect to French corporate income tax, which aims to address abusive tax practices that are not dealt with by specifically targeted provisions. Pursuant to this provision, the French tax authorities might ignore an arrangement, or a series of arrangements, which, having been put into place for the main purpose or one of the main purposes of obtaining a tax advantage that defeats the object or purpose of the applicable tax law, are not genuinely taking into account all relevant facts and circumstances.

The European Commission has also published a corporate reform package proposal on 25 October 2016, including three new proposals that aim at (i) relaunching the Common Consolidated Corporate Tax Base ("**CCCTB**") which is a single set of rules to compute companies' taxable profits in the EU, (ii) avoiding loopholes associated with profit-shifting for tax between EU countries and non-EU countries, and (iii) providing new dispute resolution rules to relieve problems with double taxation for businesses. The directive proposal on the CCCTB requires unanimity in the Council of the European Union for its adoption following consultation of the European Parliament (special legislative procedure), which gave its favourable vote on 15 March 2018. It is expected to be implemented in two steps, with the common base being implemented as a first step and consolidation being put in place swiftly afterwards. Furthermore, new rules on tax dispute resolution already apply since 1 July 2019 following the transposition of Council Directive 2017/1852 of 10 October 2017 into French tax law as part of the French Finance Law for 2019. These new regulations could impact our tax position in the future.

The Issuer often relies on generally available interpretations of tax laws and regulations in the jurisdictions in which it operates. It cannot be certain that the relevant tax authorities are in agreement with its interpretation of these laws. If its tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require the Issuer to pay taxes that it currently does not collect or pay or increase the costs of its products or services to track and collect such taxes, which could increase its costs of operations and have a negative effect on its business, results of operations and financial condition.

### ***Restriction to interest deductibility***

The main limitations on deductibility of interest which could apply to the Issuer are outlined below. Such description is not exhaustive, Noteholders are advised to seek their own professional advice in relation to the risk factors relating to tax.

Please note that the below description is based on the rules currently in force under French tax legislation. The French Finance Law for 2019 included specific provisions which have implemented into French tax legislation the provisions of the ATAD regarding interest deductibility limitations in respect of fiscal years opened as from 1 January 2019.

In relation to such implementation, (i) the provisions of (x) Articles 212 bis and 223 B bis of the French Tax Code (i.e., the former 25% general limitation of deductibility of financial expenses ("*rabot fiscal*")) and (y) Article 209-IX of the French Tax Code (the "*Amendement Carrez*" limitation) have been repealed and (ii) the provisions of Article 212-II of the French Tax Code (i.e., existing thin-capitalization rules) have been amended, as developed in more detail below.

The other rules limiting interest deductibility generally remain unchanged, in particular the rules relating to the maximum deductible tax rate for interest paid to direct minority shareholders or to related parties in the sense of Article 39.12 of the French Tax Code (Articles 39-1-3 and 212-I(a) of the French Tax Code).

Interest paid by an entity to a direct shareholder are only tax deductible up to the rate referred to in Article 39-1-3 of the French Tax Code (i.e., the annual average of the average effective floating rates on bank loans to companies with an initial maturity exceeding two years). By derogation, Article 212 § I-a) of the French Tax Code provides that, with respect, to loans granted by a related party within the meaning of Article 39.12 of the French Tax Code, the interest is deductible up to the rate referred to in Article 39-1-3 of the French Tax Code or, up to the rate that the borrowing entity could have obtained from independent financial credit institutions in similar circumstances if higher than the rate referred to in Article 39-1-3 of the French Tax Code.

The anti-hybrid provisions have been amended by the Finance Law for 2020 implementing ATAD 2. The prior rules provided under Article 212§ I b) of the French Tax Code have been repealed and a new set of situations falling in the scope of those restrictions has been codified under Articles 205 B, 205 C and 205 D of the French Tax Code. As a general principle, hybrid schemes between associated companies (under the meaning of new Article 205 B, I 16° of the French Tax Code) originating a tax asymmetry effect (i.e., double deduction or deduction without inclusion) fall into those restrictions. As a result, interest paid by a French company to associated companies will not be deductible in France if (i) the same payment gives right to deduction in another jurisdiction (including if this results from a double tax residency of the debtor as provided by Article 205 D of the French Tax Code) or (ii) if said interest are nowhere included in the tax basis of the beneficiary. The tax asymmetry in this second instance (i.e., no inclusion) can result from (i) the difference in the qualification of the hybrid instrument used between the respective jurisdictions of the debtor and beneficiary, (ii) the difference in the analysis of which entity should get the allocation of the income (hybrid beneficiary or beneficiary with various establishments or attribution of the income to a non-taxable establishment), or (iii) the difference in the analysis of an hybrid debtor according to which payment is disregarded in the jurisdiction of the beneficiary. Although the aim of those provisions is primarily to cover schemes between associated entities, it also includes payments to third parties in case of a structured scheme i.e., an hybrid scheme with a third party which terms reflect the benefit of the tax asymmetry and where all or part of the tax gain is in fine reallocated to an associated company. Those new restrictions apply for fiscal years opened as from 1 January 2020, save for certain provisions that will apply to fiscal years opened as from 1 January 2022.

A general cap limits the deduction of the net financial charges incurred by a company or a tax group in accordance with Article 212 bis § II of the French Tax Code, as modified by the Finance Law for 2019. The cap applies at the company's level when the company is taxed on a stand-alone basis or at the tax group level when the company is a member of a tax consolidated group. The cap differs depending on various factual circumstances, namely (i) the net financial expenses of the company or tax consolidated group for a given fiscal year (i.e., difference between



the financial expenses and the financial incomes acquired); (ii) their adjusted tax EBITDA for said fiscal year (corresponding to the taxable income before offset of carry forward tax losses and without taking into consideration net financial expenses and, to some extent, depreciation, provisions and capital gains/losses); (iii) the nature of the indebtedness (i.e., third party debt or intragroup debt appreciated between entities holding a stake of at least 50% or having de facto control); (iv) in case of intragroup debt, the average amount of related party debt exceeding 1.5 times the amount of its net equity where the company or the tax consolidated group will be regarded as thin-capitalized (i.e., "**Thin-Capitalized Perimeter**"); (v) the comparison between the total indebtedness of the company or the tax consolidated group with the one of the consolidated group, to which the company or tax consolidated group belongs (i.e., the "**Indebtedness Safe Harbor**"); and (vi) the comparison of the net equity ratio of the company or tax group over the assets compared to the one of the consolidated group to which the company or the tax group belongs (i.e., the "**Financial Autonomy Safe Harbor**"). As a principle, a company / tax consolidated group may deduct its net financial expenses within the limit of the higher between €3.0 million and 30% of the company / tax consolidated group's adjusted tax EBITDA. This general cap is increased by 75% of the portion of the net financial expenses which are non-deductible after application of the €3.0 million or 30% adjusted tax EBITDA limitation in three circumstances : (i) autonomous companies (i.e., companies which are not members of a consolidated group, have no establishment outside France and no associated company (appreciated between entities holding a stake of at least 25%); (ii) companies or tax consolidated groups belonging to a consolidated group which do not qualify as a Thin-Capitalized Perimeter and benefit from the Indebtedness Safe Harbor; and (iii) companies or tax consolidated groups belonging to a consolidated group which qualify as a Thin-Capitalized Perimeter but benefit from both the Indebtedness Safe Harbor and the Financial Autonomy Safe Harbor. *A contrario*, restrictive limitations may apply in case the company / tax consolidated group qualify as a Thin-Capitalized Perimeter (unless it benefits from the Indebtedness Safe Harbor) where the €3.0 million and 30% of the company / tax consolidated group's adjusted tax EBITDA is partially reduced to €1.0 million and 10% of the company / tax consolidated group's adjusted tax EBITDA for the portion of the net financial expenses corresponding to the intragroup debt in excess to the 1/1.5 debt to equity ratio.

The limitation by the aforementioned tax rules of the Issuer's ability to deduct interest accrued on its indebtedness may increase its tax burden and therefore negatively impact its financial condition, results of operations and future cash flows.

#### ***Financial transaction tax***

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transaction tax ("**FTT**") in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the "**Participating Member States**"). However, Estonia has since stated that it will not participate and completed the formalities required to leave the enhanced cooperation on FTT on 16 March 2016.

The Commission's Proposal has very broad scope and, if introduced in its current form, could apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances at a rate of at least 0.1% on all such transactions. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes provided that at least one party to the transaction is established or deemed established in a Participating Member State and that at least one party is a financial institution. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

However, the Commission's Proposal remains subject to negotiation between the Participating Member States and its scope is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or Participating Member States may withdraw.

At the ECOFIN Council meeting of 14 June 2019, a state of play of the work on the FTT was presented on the basis of a note prepared by Germany on 7 June 2019 indicating a consensus among the Participating Member States (excluding Estonia) to continue negotiations on the basis of a joint French-German proposal based on the French financial transactions tax model which in principle would only concern shares of listed companies whose

head office is in a Member State of the European Union. However, such proposal is still subject to change until a final approval.

Prospective investors should consult their own tax advisers in relation to the FTT.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to Société Générale (the "**Dealer**" and, together with any other dealer(s) appointed pursuant to the Programme Agreement (as defined below) the "**Dealers**"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, the Dealer(s) are set out in an amended and restated programme agreement dated 25 June 2020 (such programme agreement as modified and/or supplemented and/or restated from time to time, the "**Programme Agreement**") and made between the Issuer and the Dealer(s). Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Programme Agreement makes provision for the resignation or termination of appointment of the existing Dealer(s) and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

### United States of America

Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms.

The Notes have not been and will not be registered under the Securities Act or with any other securities regulatory authority of any state or other jurisdiction of the United States and are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States, or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold to non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or delivered and that it will not offer, sell or deliver, the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until forty (40) days after the completion of the distribution of such Tranche (the "**distribution compliance period**"), as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes, within the United States or to, or for the account or benefit of, U.S. persons, (iii) except in accordance with Rule 903 of Regulation S under the Securities Act and, accordingly, that neither it nor any of its affiliates (including any person acting on behalf of such Dealer or any of its affiliates) has engaged or will engage in any directed selling efforts with respect to the Notes and (iv) it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of the Notes in the United States, except with its affiliates or with the prior written consent of the Issuer. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of any offering, an offer or sale of Notes from that offering within the United States by any dealer 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.

Any person who subscribes or acquires Notes will be deemed to have represented, warranted and agreed, by accepting delivery of this Base Prospectus or delivery of the Notes, that it is subscribing or acquiring the Notes in compliance with Rule 903 of Regulation S in an "offshore transaction" as defined in Regulation S, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

### Prohibition of Sales to EEA and UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA or the UK. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:

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

### **Selling Restrictions Addressing Additional UK Securities Laws**

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

- (a) **No deposit-taking:** in relation to any Notes which have a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, as amended (the "FSMA") by the Issuer;
- (b) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer, and
- (c) **General compliance:** 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.

### **France**

Each of the Dealers and the Issuer has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed, and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the applicable Final Terms or any other offering material relating to the Notes. That offers, sales and distribution of Notes have been made and will be made in France to (a) qualified investors (*investisseurs qualifiés*), as defined in and in accordance with Article L.411-2 1° of the French Code monétaire et financier (CMF) and article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) and/ or (b) a restricted circle of investors (*cercle restreint d'investisseurs*), other than qualified investors, provided that such investors are acting for their own account, in accordance with Articles L.411-2 1° and D.411-4 of the CMF and/or, (c) investors who acquire Notes for a total consideration of at least EUR 100,000 (or its equivalent in another currency) per investor, for each separate offer in accordance with Article L. 411-2-1 2° of the CMF and Article 211-2 II of the Règlement general of the AMF (RG AMF) and/or (d) Notes whose nominal amount or equivalent amounts is at least EUR 100,000 (or its equivalent in another currency) in accordance with Article L. 411-2-1 3° of the CMF and Article 211-2 III of the RG AMF.

## **Hong Kong**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

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

## **People's Republic of China**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that other than to the qualified individuals or entities in the PRC (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan) which have been approved by the relevant PRC government authorities (including, but not limited to, the People's Bank of China, the China Banking and Insurance Regulatory Commission, the China Securities Regulatory Commission and/or the State Administration of Foreign Exchange) to subscribe for and purchase the Notes:

- (a) neither the Base Prospectus, nor any advertisement or other offering material or information in connection with the Notes has been and will be registered, circulated, published or distributed in the PRC; and
- (b) the Notes shall not be offered or sold, and will not be offered or sold to any investor for re-offering or resale, directly or indirectly, to any investor in the PRC, except in accordance with applicable PRC laws and regulations.

The prospective investors in the PRC are responsible for obtaining all relevant government regulatory licences, approvals, verifications and/or registrations themselves, including, but not limited to, any which may be required by the relevant PRC government authorities (including, but not limited to, the People's Bank of China, the China Banking and Insurance Regulatory Commission, the China Securities Regulatory Commission and/or the State Administration of Foreign Exchange), and complying with all relevant PRC laws and regulations (including, but not limited to, all relevant securities laws and regulations, foreign exchange regulations and/or foreign investment regulations) at all times.

## **The Republic of China (Taiwan)**

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Notes, directly or indirectly, in Taiwan, to investors other than "professional institutional investors" as defined under Article 4 of the Financial Consumer Protection Act, unless otherwise permitted by the laws and regulations of Taiwan. Purchasers of the Notes are not permitted to sell or otherwise dispose of the Notes except by transfer to a professional institutional investor.

## **Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused 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 Base 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), 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 the 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,

securities or securities-based derivatives contracts (each term as defined in Section 2(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 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

## 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 Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

## General

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

No representation is made 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 this Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it shall, 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 this Base Prospectus, any other offering material or any Final Terms in all cases at its own expense.

## GENERAL INFORMATION

### 1. AUTHORISATION

The establishment of the Programme was authorised by the *Conseil d'Administration* of the Issuer dated 15 April 2013. No authorisation procedure is required of the Issuer by French law for the update of the Programme. However, to the extent that Notes issued by the Issuer under the Programme may constitute obligations under French law, the issue of such Notes have been authorised by a resolution of the Board of Directors of the Issuer dated 5 February 2020 for a period of one (1) year up to a maximum amount of €2,500,000,000.

### 2. LEGAL AND ARBITRATION PROCEEDINGS

Except as disclosed on page 97 of the 2019 Universal Registration Document incorporated by reference into this Base Prospectus, there are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer and/or ALD Automotive.

### 3. SIGNIFICANT CHANGE/MATERIAL ADVERSE CHANGE

Except as disclosed in the First Quarter 2020 Results incorporated by reference into this Base Prospectus, which describes the adverse impact on the Issuer from the COVID-19 pandemic, there has been no material adverse change in the prospects of the Issuer since 31 December 2019 nor any significant change in the financial position or financial performance of the Issuer and ALD Automotive since 31 March 2020.

### 4. AUDITORS

The consolidated financial statements of the Issuer have been audited without qualification for the years ended 31 December 2019 and 31 December 2018 by Ernst & Young et Autres and Deloitte & Associés, members of the French *compagnie nationale des commissaires aux comptes*.

### 5. DOCUMENTS ON DISPLAY

Copies of the following documents (together with English translations thereof, as applicable) may be inspected during normal business hours at the offices of Société Générale Luxembourg at 11, avenue Emile Reuter, L-2420 Luxembourg, Luxembourg for 12 months from the date of this Base Prospectus. In the case of (a), (b), (c) and (h), these documents shall also be available for inspection in electronic form at <https://www.aldautomotive.com/investors/information-and-publications/regulated-information> (in the case of (h) for a period of 10 years) or <https://www.bourse.lu/programme-documents/Programme-Ald/13952>:

- (a) the constitutive documents of the Issuer;
- (b) the audited consolidated financial statements of the Issuer for the years ended 31 December 2019 and 31 December 2018;
- (c) the First Quarter 2020 Results;
- (d) the Agency Agreement;
- (e) the Deed of Covenant;
- (f) the Programme Manual (which contains the forms of the Notes in global and definitive form);
- (g) the Issuer-ICSDs Agreement (which is entered into between the Issuer and Euroclear and/or Clearstream, Luxembourg with respect to the settlement in Euroclear and/or Clearstream, Luxembourg of Notes in New Global Note form); and
- (h) a copy of this Base Prospectus.

Copies of this Base Prospectus and, in respect of Notes listed on the Luxembourg Stock Exchange, the applicable Final Terms, as well as all documents incorporated by reference herein, shall also be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## 6. MATERIAL CONTRACTS

There are no material contracts entered into other than in the ordinary course of business which could result in the Issuer's being under an obligation or entitlement that is material to the ability of the Issuer to meet its obligations in respect of the Notes.

## 7. CLEARING OF THE NOTES

The Notes have been accepted for clearance through Euroclear (1 Boulevard du Roi Albert II, 1210 Brussels, Belgium) and Clearstream (42 av. J.-F. Kennedy, 1855 Luxembourg). The appropriate common code and the International Securities Identification Number in relation to the Notes of each Tranche will be specified in the relevant Final Terms. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

## 8. YIELD

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

## 9. REFERENCE RATES

Amounts payable under Floating Rate Notes may be calculated by reference to EURIBOR or LIBOR, which are respectively provided by the European Money Markets Institute ("EMMI") and ICE Benchmark Administration Limited ("IBA"). As at the date hereof, the IBA and the EMMI both appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmark Regulation. Amounts payable under Floating Rate Notes may also be calculated by reference to SONIA or €STR, which are respectively provided by the Bank of England and the European Central Bank. Central banks, such as the Bank of England and the European Central Bank are exempt from the requirements of the Benchmark Regulation. The applicable Final Terms will specify the administrator of any other benchmark used as a reference under the Floating Rate Notes and whether or not such administrator appears on the above mentioned register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.

## 10. CREDIT RATINGS

As at the date of this Base Prospectus, the Programme has been rated BBB by S&P and BBB+ by Fitch in respect of Notes with a maturity of more than one year.

The following is an explanation of the meaning of these ratings as provided by S&P and Fitch respectively:

S&P – Long-Term Issue Credit Ratings:

An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation.

Ratings within this category may be modified by the addition of a plus (+) or minus (-) sign to show relative strength with the rating category.

Fitch – Long-Term Credit Ratings:



'BBB' indicates that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

Ratings within this category may be modified by the addition of a plus (+) or minus (-) sign to show relative strength with the rating category.

11. **LEGAL ENTITY IDENTIFIER (LEI)**

The Legal Entity Identifier (LEI) of the Issuer is 969500E7V019H9NP7427.

12. **WEBSITE**

The Issuer's website is [www.aldautomotive.com](http://www.aldautomotive.com). The content of the website of the Issuer does not form part of this Base Prospectus unless that information is incorporated by reference into the Base Prospectus.

**REGISTERED OFFICE OF THE ISSUER**

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France

**DEALER**

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75009 Paris  
France

**FISCAL AGENT and PRINCIPAL PAYING AGENT**

**Société Générale Luxembourg**

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L-2420 Luxembourg  
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