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THE BASE PROSPECTUS IS A FREE NON-BINDING TRANSLATION OF THE FRENCH LANGUAGE "PROSPECTUS DE BASE" DATED 22 JULY 2026. IN THE EVENT OF ANY AMBIGUITY OR CONFLICT BETWEEN CORRESPONDING STATEMENTS OR OTHER ITEMS CONTAINED IN THE BASE PROSPECTUS, THE RELEVANT STATEMENTS OR ITEMS OF THE FRENCH LANGUAGE "PROSPECTUS DE BASE" SHALL PREVAIL.

THIS TRANSLATION INTO ENGLISH HAS NOT BEEN AND WILL NOT BE REGISTERED BY THE *AUTORITE DES MARCHES FINANCIERS* OR BY ANY OTHER EQUIVALENT REGULATORY AUTHORITY OR STOCK EXCHANGE.

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Confirmation of your Representation: In order to be eligible to view the Base Prospectus or make an investment decision with respect to the Notes to be issued under the Programme, you must not be a U.S. person (as defined in Regulation S under the Securities Act) and must be outside the United States. By accepting the e-mail and accessing the Base Prospectus, you shall be deemed to have represented to us that (i) you and any customers you represent are not U.S. persons and are not located in the United States; (ii) the electronic mail (or e-mail) address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States or the District of Columbia; (iii) you consent to delivery of such Base Prospectus by electronic transmission; (iv) you acknowledged that the attached Base Prospectus is a free non binding translation of the original French language version which is communicated to you for information purposes only.

Base Prospectus dated 22 July 2026

Agence France Locale
€20,000,000,000
Euro Medium Term Note programme

Benefiting from first demand guarantee mechanism granted by Agence France Locale – Société Territoriale and by the Members of the Agence France Locale Group

Under the **Euro Medium Term Note Programme** (the *Programme*) described in this base prospectus (the **Base Prospectus**), Agence France Locale (the **Issuer**) may, at any time, in compliance with all applicable laws, regulations and directives, issue notes (the **Notes**). Payment of all amounts due under the Notes will benefit from (i) a first demand guarantee (*garantie autonome à première demande*) by Agence France Locale – Société Territoriale (**ST**) (the **ST Guarantee**), and (ii) first demand guarantees by local authorities (*collectivités territoriales*), their groupings and the *établissements publics locaux* which have completed the membership process and have consequently become shareholders of ST (the **Members**), equal to the outstanding amount of the loans of an initial term of more than 364 days for which they will have subscribed with the Issuer (together with ST, the **Guarantors**) (the **Member Guarantees**, together with the ST Guarantee, the **Guarantees**). The terms of the Guarantees and the provisions for determining their limits are set out in this Base Prospectus in section "Description of the Guarantors and the Guarantee mechanism".

The aggregate nominal amount of Notes outstanding at any one time may not exceed 20,000,000,000 euro (or the equivalent thereof in any other currency, calculated as of the issue date). The Notes constitute bonds (obligations) as defined under French law.

The Base Prospectus has been approved by the French financial markets authority, Autorité des Marchés Financiers (**AMF**) which has assigned approval no. 26-288 on 22 July 2026 in its capacity as competent authority pursuant to Regulation (EU) 2017/1129, as amended (the **Prospectus Regulation**). The AMF has approved the Base Prospectus having verified that the information contained therein is complete, coherent and comprehensible within the meaning of the Prospectus Regulation. Such approval should not be considered as a favourable opinion on the Issuer or on the quality of the Notes issued under the Base Prospectus. Investors are invited to make their own assessment of the appropriateness of investing in the relevant Notes.

The Base Prospectus is valid for a period of 12 months after its approval, namely until 22 July 2027 and shall, during such period and in accordance with Article 23 of the Prospectus Regulation, be completed by a supplement to the Base Prospectus in the event of material new facts or substantial errors or inaccuracies. The obligation to publish a supplement to the Base Prospectus in the event of material new facts or substantial errors or inaccuracies does not apply once the Base Prospectus is no longer valid.

Application may, under certain circumstances be made for Notes to be admitted to trading on Euronext in Paris (**Euronext Paris**). Euronext Paris is a regulated market as defined in Directive 2014/65/EU dated 15 May 2014 as amended, (a **Regulated Market**). Notes may also be admitted to trading on another Regulated Market of a member State of the European Economic Area (**EEA**) or on a non-regulated market or not admitted to trading on any market. The final terms prepared for an issue of Notes (the **Final Terms**), based on the form set out in this Base Prospectus, shall specify whether or not such Notes shall be admitted to trading on a regulated market and shall list, if applicable, the relevant Regulated Market(s). The relevant Final Terms shall also specify whether or not the Notes shall be offered as non-exempt offer to the public under Article 1, Paragraph 4, of the Prospectus Regulation in one or more member states of the EEA.

The Notes may be issued in dematerialised form (**Dematerialised Notes**) or materialised form (**Materialised Notes**), as more fully described in the Base Prospectus. Dematerialised Notes will be entered in an account in accordance with articles L.211-3 et seq. of the French Code monétaire et financier. No physical document of title shall be issued in respect of Dematerialised Notes.

Dematerialised Notes may be issued, at the option of the Issuer, either (a) in bearer form, registered on their date of issue in the books of Euroclear France (acting as central depositary), which shall credit the accounts of the Account Holders (as defined in "Terms and Conditions of the Notes - Form, denomination, title, redenomination and consolidation") including Euroclear Bank SA/NV (**Euroclear**) and the depositary bank for Clearstream Banking, S.A. (**Clearstream**) or (b) in registered form, in this event, at the option of the relevant Noteholder (as defined under "Terms and Conditions of the Notes - Form, denomination, title, redenomination and consolidation"), either in pure registered form (*au nominatif pur*), in which case they shall be entered in an account maintained by the Issuer or any registration agent (as specified in the relevant Final Terms) on behalf of the Issuer, or in administered registered form (*au nominatif administré*), in which case they shall be entered in the accounts of the Account Holder nominated by the relevant Noteholder.

Materialised Notes shall be issued in bearer form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (**Temporary Global Certificate**) shall be issued initially in respect of the Materialised Notes. Such a Temporary Global Certificate shall subsequently be exchanged for Materialised Notes represented by physical notes (**Physical Notes**) together with, if applicable, interest coupons, on a date falling at the earliest approximately forty (40) calendar days after the issue date of the Notes (unless postponed, as described in section "Temporary Global Certificates in respect of Materialised Notes") upon certification that the Notes are not being held by U.S. Persons in accordance with U.S. Treasury regulations, as more fully described in this Base Prospectus. The Temporary Global Certificates shall be deposited (a) in the case of a Tranche (as defined in the section "*Terms and Conditions of the Notes*") intended to be cleared through Euroclear and/or Clearstream, on the issue date with a common depositary on behalf of Euroclear and Clearstream, or (b) in the case of a Tranche intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream or delivered outside any clearing system, in the manner agreed between the Issuer and the relevant Dealer (as defined below).

The Issuer has been assigned an A+ rating with a stable outlook by Fitch Ratings Ireland Limited (**Fitch**) and by S&P Global Ratings Europe Limited (**S&P**). The Programme has an A+ rating assigned by Fitch and by S&P. Notes issued under the Programme may or may not be attributed a rating. The rating attributed to the Notes, if any, shall be specified in the relevant Final Terms. The rating of the Notes may not necessarily be the same as that of the Programme. A rating is not a recommendation to buy, sell or hold Notes and may be suspended, amended or withdrawn at any time by the relevant rating agency. As at the date of this Base Prospectus, Fitch and S&P are rating agencies established in the European Union and registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended (the **CRA Regulation**) and are included on the list of rating agencies published on the European Securities and Markets Authority website (https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the CRA Regulation. The ratings issued by Fitch and S&P are, as appropriate, confirmed by rating agencies based in the United Kingdom and registered in accordance with the CRA Regulation which is part of the applicable law in the United Kingdom pursuant to the 2018 European Union (Withdrawal) Act, (the **UK CRA Regulation**) or certified under the UK CRA Regulation.

Investors should be aware of the risks described in the section "Risk factors" before making any decision to invest in Notes issued under this Programme.

This Base Prospectus, any supplement thereto and, so long as any Notes are admitted to trading on a Regulated Market or offered to the public to investors other than qualified investors in accordance with the Prospectus Regulation, the applicable Final Terms shall be (a) published on the websites of (i) the AMF (www.amf-france.org) and (ii) the Issuer (https://www.agence-france-locale.fr/) and (b) available for inspection and obtaining copies, free of charge, during normal office hours, on any weekday (except on Saturdays, Sundays and public holidays) at the specified office of the Fiscal Agent or the Paying Agent(s).

Arrangers

HSBC **NATIXIS**

Dealers

Barclays	**BNP PARIBAS**	**Citigroup**
Crédit Agricole CIB	**Deutsche Bank**	**HSBC**
J.P. Morgan	**Morgan Stanley**	**NATIXIS**
NatWest	**Société Générale Corporate & Investment Banking**	**TD Securities**

IMPORTANT CONSIDERATIONS

This Base Prospectus (together with any supplement thereto) constitutes a base prospectus for the purposes of Article 8 of the Prospectus Regulation containing all information required by the competent authority on the Issuer and on the Guarantors, further details of which can be found on the website of the Issuer (https://www.agence-france-locale.fr/) to enable investors to make an informed assessment of the assets, liabilities, profits and losses, financial position and prospects of the Issuer, ST and, to a limited extent, the Member Guarantors as well as the rights attached to the Notes and the reasons for the issue of the Notes and its impact on the Issuer. Each Tranche (as defined in the section "Terms and Conditions of the Notes") of Notes shall be issued in accordance with the provisions set forth in the section "Terms and Conditions of the Notes" of this Base Prospectus, as completed by the provisions of the applicable Final Terms agreed between the Issuer and the relevant Dealers at the time of issue of such Tranche.

In connection with the issue or sale of any Notes, no person has been authorised to provide any information or make any representations other than as set forth in this Base Prospectus. No such information or representation may be treated as having been authorised by the Issuer, the Arrangers or any of the Dealers. Neither the delivery of this Base Prospectus nor any sale made on the basis of this document shall under any circumstances imply that there has been no adverse change in the situation, in particular the financial situation, of the Issuer or the Guarantors since the date of this Base Prospectus or since the date of the most recent supplement to this document, or that any other information provided in connection with this Programme is accurate on any date subsequent to the date on which it was provided or, if different, the date indicated on the document containing such information.

The distribution of this Base Prospectus and the offering or sale of any Notes may be restricted by law in certain countries.

The section "Subscription and Sale" of this Base Prospectus contains a description of certain restrictions applicable to the offer, sale and transfer of Notes and the distribution of this Base Prospectus.

In certain circumstances and under certain conditions, the Issuer has given its consent to the use of this Base Prospectus, of any related supplement and of the relevant Final Terms by any duly authorised financial intermediary. Please refer to section "Conditions relating to the Issuer's consent to the use of the Prospectus".

MiFID II Product Governance / Target Market – The Final Terms relating to the Notes may include a paragraph entitled "MiFID II Product Governance" which will highlight the Notes target market assessment, as well as the appropriate distribution channels. Any person who subsequently offers, sells or recommends the Notes (a distributor**) should take into consideration the assessment of the target market; however, a distributor subject to Directive 2014/65/EU (as amended,** MIFID II**) is responsible for undertaking its own target market assessment in respect of the Notes (and either adopting or refining the target market assessment) and determining the appropriate distribution channels.**

For each issue of Notes, each Dealer shall determine whether, for the purposes of the product governance rules under delegated Directive EU 2017/593, as amended (the MIFID II Product Governance Rules**), they are a manufacturer of such Notes. However, for purposes other than issuing Notes, neither the Arrangers, nor the Dealers nor any of their affiliates shall be considered as manufacturers for the purposes of the MIFID II Product Governance Rules.**

UK MiFIR Product Governance / Target Market – The Final Terms relating to the Notes may include a paragraph entitled "UK MiFIR Product Governance" which will highlight the Notes target market assessment, as well as the appropriate distribution channels in the UK. Any person who subsequently offers, sells or recommends the Notes (a distributor in the UK) shall be required to consider the target

market assessment. However, a distributor in the UK subject to the FCA Handbook Product Intervention and Product Governance Sourcebook) (the UK MiFIR Product Governance Rules**) is required to perform its own Notes target market assessment in the UK (by retaining or improving the target market assessment) and determining the appropriate distribution channels.**

For each issue of Notes, each Dealer shall determine whether, for the purposes of the UK MiFIR Product Governance Rules, they are a manufacturer of such Notes. However, for purposes other than issuing Notes, neither the Arrangers, nor the Dealers nor any of their affiliates shall be considered as manufacturers for the purposes of the UK MiFIR Product Governance Rules.

This Base Prospectus constitutes neither an invitation nor an offer by or on behalf of the Issuer, the Guarantors, the Dealers or the Arrangers to subscribe for or purchase Notes.

Neither the Issuer nor any Dealer makes any representation to any prospective investor in the Notes as to the lawfulness of their investment under applicable laws. Any prospective investor in the Notes must be capable of assuming the economic risks implied by its investment in the Notes for an unlimited period of time.

Neither the Arrangers nor any of the Dealers has verified the information contained in this Base Prospectus. Neither the Arrangers nor any of the Dealers makes any express or implied representation, nor accepts any liability, as to the accuracy or completeness of any information contained in this Base Prospectus. The Base Prospectus is not intended to provide the basis of any credit or other evaluation and must not be treated as a recommendation by the Issuer, the Guarantors the Arrangers or any of the Dealers to any recipients of this Base Prospectus to buy Notes. Each prospective investor in Notes must make his own assessment of the relevance of the information contained in this Base Prospectus and his decision to purchase Notes must be based on such research as he deems necessary. Neither the Arrangers nor any of the Dealers undertake to review the financial situation or affairs of the Issuer or the Guarantors during the life of this Base Prospectus, and do not undertake to pass on to any investor or prospective investor any information of which they become aware.

In this Base Prospectus, unless otherwise provided or the context requires otherwise, any reference to "€","Euro", "EUR" and "euro" refers to the lawful currency in the Member states of the European Union that have adopted the single currency introduced in accordance with the Treaty establishing the European Economic Community, any reference to "£","pound sterling" and "Sterling" refers to the lawful currency in the United Kingdom, any reference to "$", "USD", "U.S. dollar" and "American dollar" refers to the lawful currency in the United States of America, any reference to "¥","JPY" and "yen" refers to the lawful currency in Japan and any reference to "CHF" and "Swiss francs" refers to the lawful currency in the Swiss Confederation.

The Guarantors, other than ST, have not reviewed this Base Prospectus (or any supplements thereto) or verified the information contained or incorporated by reference herein. The Guarantors, other than ST, do not therefore express, imply, represent or accept any responsibility for the accuracy or completeness of any information, including information relating to the Guarantors themselves, contained in this Base Prospectus or any statement made on their behalf by the Issuer in this Base Prospectus or the offering or issue of any Notes. They shall, therefore, be in no way liable, whether through contract or tort, for the content of this Base Prospectus, any supplement hereto, or any statement herein.

The Notes may not be a suitable investment for all investors.

A prospective investor should not invest in Notes unless it has the expertise (either alone or with the assistance of its financial adviser) to assess how the value of the Notes will perform under changing conditions and the impact of such an investment will have on its overall investment portfolio.

Each prospective investor must determine, based on his own assessment and with the assistance of any adviser he may consider appropriate depending on the circumstances, the suitability of an investment in the Notes in light of his personal circumstances. In particular, each prospective investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained in this Base Prospectus or any applicable supplement with respect thereto and in the relevant Final Terms;

(ii) have access to, and knowledge of, appropriate analytical tools to assess, in the context of its particular financial situation and sensitivity to risk, an investment in the relevant Notes and the impact such Notes might have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in Notes;

(iv) understand thoroughly the Terms of the relevant Notes and be familiar with the behaviour of any relevant reference rates and financial markets; and

(v) be able to assess (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 relevant risks.

Laws and regulations on investment may restrict some investments

The investment activities of some investors are subject to investment laws and regulations, or to control or regulation by certain authorities. Each prospective investor should consult its legal advisers to determine whether and to what extent (i) the Notes are investments that are appropriate, (ii) Notes can be used as collateral for other types of loans, (iii) if other purchase restrictions or pledge of any Notes are applicable to them, (iv) the Notes are eligible as regulated assets (if any) or (v) the Notes represent an investment that is appropriate from a prudential point of view. Financial institutions should consult their legal advisors and / or their financial advisors and / or the supervisory authorities to determine the treatment to be applied to the Notes for weighted capital ratios based on risk and similar rules. Neither the Issuer nor (the) Dealer(s), nor any of their respective affiliates has assumed or assumes responsibility for the legality of the acquisition of the Notes by a potential investor, either under the laws of the jurisdiction where they are registered or the one in which they operate (if different), or the compliance by a potential investor with any law, regulation or rule made by a regulator that may apply to it.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Prospectus (including any supplement or amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

Australia

The Issuer is not a bank or an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia (***Australian Banking Act***) and nor is it supervised by the *Australian Prudential Regulation*

Authority. The Notes are not obligations of the Australian Government and, in particular, are not guaranteed by the Commonwealth of Australia.

Notes that are offered for issue or sale or transferred in Australia are offered only in circumstances that would not require disclosure to investors pursuant to sections 6D.2 or 7.9 of the Corporations Act 2001 of Australia and must be issued and transferred in compliance with the terms of the exemption from compliance with section 66 of the Australian Banking Act from which the Issuer benefits. Such Notes are issued or transferred in Australia in parcels of not less than A$500,000 in aggregate principal amount. An investment in any Notes issued by the Issuer will not be covered by the depositor protection provisions in section 13A of the Australian Banking Act and will not be covered by the Australian Government's bank deposit guarantee (also commonly referred to as the Financial Claims Scheme).

Potential Conflicts of Interest

All or some of the Dealers and their affiliates have and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer and its affiliates and in relation to securities issued by any entity in the group. They have or may (i) engage in investment banking, trading or hedging activities including activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (ii) act as underwriters in connection with the offering of shares or other securities issued by any entity in the group or (iii) act as financial advisers to the Issuer or other companies in the group. In the context of these transactions, certain Dealers have or may hold shares or other securities issued by entities in the group. Where applicable, they have or will receive customary fees and commissions for these transactions.

The Issuer may occasionally be engaged in transactions involving an index, or derivatives that can affect the market price, liquidity or value of Notes that could be considered contrary to the interests of Noteholders.

Potential conflicts of interest can arise between the Calculation Agent, where relevant, for a Tranche of Notes and Noteholders, including towards some decisions and some discretionary judgments that the Calculation Agent may have to make pursuant to the Terms and Conditions of the Notes.

Sustainable Bonds

This paragraph applies if the relevant Final Terms specify that the Notes are Sustainable Bonds:

Prospective investors are invited to refer to the information set forth in the section "Use of Proceeds" of this Base Prospectus and must determine to what extent the proposed use of proceeds and the information presented is acceptable to them. In particular, no assurance can be given to any prospective investor by the Issuer, the Arranger or the Dealers that the use of such proceeds for any Eligible Categories presented will satisfy, whether in whole or in part, such investor's expectations in terms of environmental and/or social performance, or the expectations or requirements as regards any investment criteria with which it is required to comply in accordance with the regulations by which it is governed or under its articles of association, bylaws or mandate pursuant to which it acts, in particular as regards the direct or indirect environmental and/or social impact of the assets financed by expenditure falling in the Eligible Categories. Nor is it certain that no adverse environmental and/or social impact associated with the assets financed in connection with Eligible Categories will occur.

The definition (legal, regulatory or other) of a "green", "social" project or equivalently labelled project, and the market consensus on defining a particular project as a "green", "social" or equivalently labelled project are currently under development. However, on 18 June 2020, the European Council and the European Parliament adopted Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (as supplemented by applicable delegated regulations) (the **Taxonomy Regulation**). The Taxonomy Regulation establishes a single, EU-wide classification system, or "taxonomy", which provides companies and investors with a common language to identify which economic activities can be considered environmentally sustainable. The Taxonomy Regulation does not directly apply to Sustainable Bonds but may influence

investor and market expectations and preferences regarding the definition and classification of "green" projects. The Taxonomy Regulation may also be subject to further development and refinement, which may result in changes to the technical screening criteria or the inclusion or exclusion of certain economic activities under the Taxonomy. The concept of eligible expenditure falling within the Eligible Categories within the meaning of the Scheme (as defined in the "*Use of proceeds*" section of the Base Prospectus) differs from the concept of eligible activity as defined in the Taxonomy Regulation. The use under the Scheme of eligible expenditure falling within the Eligible Categories does not affect systematic correspondance of eligible expenditure falling within the Eligible Categories with the eligible activities as defined in the Taxonomy Regulation. The Scheme does not establish a direct correspondence with the criteria of the Taxonomy Regulation. However, the Scheme provides for the possibility of including additional activities that would meet the substantial contribution criteria set out in the delegated acts of the Taxonomy Regulation, in particular on the basis of the "green budgets" published by the Member Local Authorities. For the avoidance of doubt, it is specified that the Group does not undertake (i) to align its Sustainable Bonds with the requirements of the Taxonomy Regulation, and in particular no assessment of compliance with the principle of "do no significant harm" is carried out systematically under the Scheme, (ii) nor to meet the substantial contribution criteria of the Taxonomy Regulation on a systematic basis.

There is currently no equivalent EU-wide classification system or regulation for social or sustainable projects, and the definition and classification of such projects may depend on various voluntary or national frameworks, directives or principles that may differ or evolve over time. As a result, the Sustainable Bonds may not meet future legislative, regulatory or market standards or expectations for green and/or social projects, which could affect the perception and valuation of Sustainable Bonds by investors and the market.

No representation is given by the Arranger or the Dealers as to the relevance of the opinions or certifications emanating from third-party organisations (whether or not requested by the Issuer) relating to Sustainable Bonds or whether the Eligible Categories satisfy any environmental and/or social criteria. Such opinions or certifications are not under any circumstances incorporated by reference in this Base Prospectus.

No assurance can be given to prospective investors as to whether the Sustainable Bonds will satisfy the environmental, social or sustainability criteria required by prospective investors or specified under the Taxonomy Regulation, the principles applicable to green bonds, social bonds or the guidelines applicable to sustainable bonds as published by the International Capital Markets Association (**ICMA**). Neither the Arrangers nor the Dealers have any duty or responsibility to assess the eligibility criteria, or to verify the compliance of the Sustainable Bonds with the Taxonomy Regulation, with such eligibility criteria or with such principles or guidelines of the ICMA. Furthermore, neither the Arrangers nor the Dealers have any duty or responsibility to monitor any use made of the amount equivalent to the net proceeds of issue. In this regard, prospective investors are invited to consult the Issuer’s website or to contact their own advisers.

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GENERAL DESCRIPTION OF THE PROGRAMME

The following general description must be read with all the information set forth in this Base Prospectus. The Notes shall be issued pursuant to the terms agreed between the Issuer and the relevant Dealer(s) and shall be governed by the Terms and Conditions specified in this Base Prospectus.

Terms and expressions defined in the section "Terms and Conditions of the Notes" hereafter shall have the same meaning in this general description of the programme.

This general description of the programme constitutes a general description of the Programme for the purposes of Article 25.1.b) of Delegated Regulation (EU) 2019/980 of the Commission, as amended. It does not serve as a summary of the Base Prospectus within the meaning of Article 7 of the Prospectus Regulation.

Description of the Programme:	Agence France Locale's €20,000,000,000 programme for the issuance of debt securities (Euro Medium Term Note Programme) benefiting from a first demand guarantee mechanism granted by Agence France Locale – Société Territoriale and by the Members of the Groupe Agence France Locale. The Notes constitute bonds (obligations) within the meaning of French law.
Issuer:	Agence France Locale
Guarantors	Agence France Locale – Société Territoriale (**ST**) Members of the Groupe Agence France Locale that have entered into a Medium-Long Term Loan with the Issuer
Guarantee	Autonomous first demand guarantee issued by Agence France Locale – Société Territoriale (**ST Guarantee**) Autonomous first demand guarantee of each of the Members of the Groupe Agence France Locale up to the aggregate amount owed by such Members to the Issuer under each Medium-Long Term Loan (**Member Guarantee**)
Arrangers:	HSBC CONTINENTAL EUROPE NATIXIS

Dealers:	BARCLAYS BANK IRELAND PLC BNP PARIBAS CITIGROUP GLOBAL MARKETS EUROPE AG CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK DEUTSCHE BANK AKTIENGESELLSCHAFT HSBC CONTINENTAL EUROPE J.P. MORGAN SE MORGAN STANLEY EUROPE SE NATIXIS NATWEST MARKETS N.V. SOCIÉTÉ GÉNÉRALE TD GLOBAL FINANCE UNLIMITED COMPANY The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to **Permanent Dealers** are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to **Dealers** are to all Permanent Dealers and to all persons appointed as dealers in respect of one or more Tranches.
Fiscal Agent and Principal Paying Agent:	BNP PARIBAS
Calculation Agent:	BNP PARIBAS (unless specified otherwise in the Final Terms)
Programme Size:	The aggregate nominal amount of Notes outstanding at any one time may not exceed 20,000,000,000 euro (or the equivalent thereof in any other currency, calculated as of the issue date).
Risk Factors:	Investing in the Notes involves certain risks which must be assessed before making any investment decision. For information on the risks associated with the Issuer, ST, the Guarantees and the Notes, prospective investors and/or Noteholders must refer to the section "Risk Factors" of this Base Prospectus.
Currency:	Subject to compliance with all applicable laws, regulations and directives, the Notes may be issued in euros or in any other currency agreed between the Issuer and the relevant Dealer(s).

Form of the Notes:	Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**), as specified in the relevant Final Terms. Dematerialised Notes may, at the option of the Issuer, be issued in bearer form or registered form and, in such latter case, at the option of the relevant Noteholder, either in pure registered form (au nominatif pur) or administered registered form (au nominatif administré). No physical document of title shall be issued in respect of Dematerialised Notes. Materialised Notes shall be issued in bearer form only. A Temporary Global Certificate for each Tranche of Materialised Notes shall be issued initially. Materialised Notes may only be issued outside France.
Denomination(s):	The Notes will have the denomination(s) specified in the relevant Final Terms. Dematerialised Notes shall be issued in one single specified denomination.
Issue price:	The Notes may be issued at par, below par or with an issue premium.
Creation of Dematerialised Notes:	The accounting letter (*lettre comptable*) (for syndicated issues) or the admission form, as the case may be, in respect of each Tranche of Dematerialised Notes shall be deposited with Euroclear France in its capacity as central depositary one (1) Paris business day prior to the issue date of such Tranche.
Creation of Materialised Notes:	No later than the issue date of each Tranche of Materialised Notes, the Temporary Global Certificate relating to such Tranche shall be deposited with a common depositary for Euroclear and Clearstream, or any other clearing system, or indeed may be issued outside any clearing system subject to prior agreement between the Issuer, the Fiscal Agent and the relevant Dealer(s).
Status of the Notes and negative pledge:	Notes and, if relevant, their receipts for periodic payments of principal (**Receipts**) and interest coupons (**Coupons**), unconditional, senior preferred as defined in article L.613-30-3-I-3° of the Monetary and Financial Code and (subject to the paragraph below) unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and (subject to such exceptions as are mandatory under French law) equally and rateably with all other present or future, senior preferred and unsecured obligations of the Issuer.

So long as any Notes, or, if relevant, any Receipts and Coupons attached to such Notes, remain outstanding, the Issuer shall not grant or permit to subsist any mortgage, pledge, lien or other form of security interest upon any of its assets, rights or revenues, present or future, to secure any Indebtedness (as defined below) of or guaranteed by the Issuer, unless the obligations of the Issuer under the Notes and, if relevant, any related Receipts and Coupons, benefit from equivalent and equal ranking security.

Indebtedness means any indebtedness in respect of any present or future borrowing, represented by bonds or other securities or negotiable instruments (including in particular securities that are or were originally privately placed) listed or traded or capable of being listed or traded on any stock exchange or any other securities market.

outstanding means, in respect of the Notes of any Series, all the Notes issued other than (i) those that have been redeemed in accordance with these Terms, (ii) those in respect of which the redemption date has occurred and the redemption amount (including all interest accrued on such Notes up to such redemption date and any interest payable after such date) has been duly paid in accordance with the provisions of Condition 7, (iii) those which have become void or in respect of which claims have become prescribed, (iv) those which have been purchased and cancelled in accordance with Condition 6.8, (v) those which have been purchased and retained in accordance with Condition 6.7, (vi) in the case of Physical Notes, (A) those mutilated or defaced Physical Notes that have been surrendered in exchange for replacement Physical Notes, (B) (for the sole purpose of determining the number of Physical Notes outstanding and without prejudice to their status for any other purpose) those Physical Notes allegedly lost, stolen or destroyed and in respect of which replacement Physical Notes have been issued and (C) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Physical Notes in accordance with its terms.

Guarantees:

The obligations of ST under the ST Guarantee are unsecured and unsubordinated obligations of ST which rank and will rank equally with all other present and future unsecured and unsubordinated obligations of ST, subject to such exceptions as are from time to time mandatory under French law.

The obligations of each of the Members under each of the Member Guarantees are unsecured and unsubordinated obligations of each Guarantor which rank and will rank equally with all other present and future unsecured and unsubordinated obligations of each Guarantor, subject to such exceptions as are from time to time mandatory under French law.

Interest Periods and Interest Rates:

For each Series, the duration of the interest periods of the Notes, the applicable interest rate and the method of calculation may be the same or differ depending on the Notes. The Notes may have a maximum interest rate, a minimum interest rate or both, provided that under no circumstances may the amount of interest be less than zero (0). The Notes may bear interest at varying rates within the same interest period by use of interest accrual periods. All such information shall be set forth in the relevant Final Terms.

Fixed Rate Notes:

Fixed interest shall be payable in arrears on the date or dates for each period specified in the relevant Final Terms.

Floating Rate Notes:

Floating Rate Notes shall bear interest at the rate determined for each Series as follows:

a) on the same basis as the floating rate specified in the relevant Final Terms applicable to a notional interest rate swap transaction in the relevant Specified Currency, in accordance with the Fédération Bancaire Française (FBF) Master Agreement dated June 2013 relating to transactions on forward financial instruments, as supplemented by the Technical Schedules published by the FBF; or

b) on the same basis as the floating rate applicable to a notional interest rate swap transaction, in accordance with an agreement incorporating the 2021 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or

c) by reference to EURIBOR (or TIBEUR in French), €STR, SARON, TONA, SOFR, SONIA or the CMS Rate or any successor or replacement rate based on a Screen Rate Determination,

in each case, as adjusted by reference to any applicable margins paid at the date specified in the relevant Final Terms. Under no circumstances shall the Coupon Amount be less than zero (0).

Fixed/Floating Rate Notes:

Fixed/Floating Rate Notes bear interest at a rate which, on the Interest Basis Change Date, (i) may be converted at the Issuer's option from a fixed rate to a floating rate, or from a floating rate to a fixed rate or (ii) shall automatically convert from a fixed rate to a floating rate or from a floating rate to a fixed rate.

Benchmark discontinuation (other than the €STR, SONIA and SOFR):

If a Benchmark Event occurs such that no interest rate (or any component of it) can be determined by referring to the original reference rate or the screen page (as appropriate) specified in the relevant Final Terms, the Issuer must make reasonable efforts to appoint an independent adviser, as soon as reasonably possible in order to determine a successor rate or, failing that, an alternative rate (as well as to make the subsequent changes to the Terms and Conditions of the Notes concerned and adjust the interest rate spread).

Zero Coupon Notes:	Zero Coupon Notes may be issued at par or below par and shall not bear interest.
Redemption Amount:	Except in case of Early Redemption or repurchase followed by cancelation, the Notes will be redeemed at the maturity date specified in the relevant Final Terms and at the final Redemption Amount.
Redemption by Instalments:	The Final Terms relating to Notes redeemable in two or more instalments shall specify the dates on which such Notes may be redeemed and the amounts to be redeemed.
Optional Redemption:	The Final Terms prepared for each issue of Notes shall specify whether they may be redeemed at the option of the Issuer (in whole or in part) and/or at the option of the Noteholders prior to their stated maturity date and, if so, the terms applicable to such redemption.
Early Redemption:	Subject as provided in paragraph "Optional Redemption" above, the Notes shall not be redeemable early at the option of the Issuer except for tax reasons and/or illegality.
Withholding Tax:	All payments of principal, interest and other similar income in respect of Notes, Receipts or Coupons by or on behalf of the Issuer shall be made without any withholding or deduction in respect of any tax or duty of any kind, imposed, levied or collected by or on behalf of France, or any authority thereof with the power to levy tax, unless such withholding or deduction is required by law. If pursuant to French law, payments of principal, interest or other similar income on any Note, Receipt or Coupon become subject to a withholding at source or deduction by reason of any kind of tax or duty, present or future, the Issuer undertakes, to the fullest extent permitted by law, to increase the amount of such payment so that the Noteholders, Receiptholders and Couponholders receive the full amount that would have been paid to them in the absence of such withholding at source or deduction, subject to various exceptions, described in the section "Terms and Conditions of the Notes" of this Base Prospectus.
Events of Default:	The Terms and Conditions of the Notes specify various events of default, as more fully described in the paragraph "Terms and Conditions of the Notes - Events of Default".
Governing law:	French law. Any claims against the Issuer relating to the Notes, Receipts, Coupons or Talons shall be brought before the competent courts of the jurisdiction in which the Issuer's head office is located.
Clearing systems:	Euroclear France in its capacity as central depositary for Dematerialised Notes and, for Materialised Notes, Clearstream and Euroclear or any other clearing system agreed between the Issuer, the Fiscal Agent and the relevant Dealer(s).

	Notes admitted to trading on Euronext Paris will be cleared through Euroclear France.
Admission to trading:	On Euronext Paris and/or on any other Regulated Market of the European Economic Area (**EEA**) and/or on any non-regulated market as specified in the relevant Final Terms. The relevant Final Terms may provide that a Series of Notes shall not be admitted to trading on any market.
Ratings:	The Issuer has been assigned an A+ rating with a stable outlook by Fitch and by S&P. The Programme has an A+ rating assigned by Fitch and by S&P. Notes issued under the Programme may or may not be assigned a rating. The rating attributed to the Notes, if any, shall be specified in the relevant Final Terms. The rating of the Notes may not necessarily be the same as that of the Programme. A rating is not a recommendation to buy, sell or hold Notes and may be suspended, amended or withdrawn at any time by the relevant rating agency. As at the date of this Base Prospectus, Fitch and S&P are rating agencies established in the European Union and registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and Council dated 16 September 2009 relating to credit rating agencies, as amended (the CRA Regulation) and are included on the list of rating agencies published on the website of the European Securities and Markets Authority (https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the CRA Regulation. Ratings issued by Fitch and S&P are, as applicable, endorsed by rating agencies established in the United Kingdom and registered in accordance with the CRA Regulation, which is incorporated into the law applicable in the United Kingdom pursuant to the European Union (Withdrawal) Act 2018 (the **CRA Regulation of the United Kingdom**), or certified pursuant to the CRA Regulation of the United Kingdom.
Selling Restrictions:	There are restrictions on the sale of Notes and the distribution of offer documents in various countries including in particular the United States of America, the EEA, Canada, the United Kingdom, Italy, France, Switzerland, Japan and Australia. Materialised Notes shall be issued pursuant to Section (U.S. Treas. Reg.) §1.163-5(c)(2)(i)(D) of the U.S. Treasury Regulations (**D Rules**) unless (a) the applicable Final Terms provide that such Materialised Notes are issued pursuant to Section (U.S. Treas. Reg.) §1.163-5(c)(2)(i)(C) of the U.S. Treasury regulations (**C Rules**), or (b) the Materialised Notes are not issued pursuant to C Rules or D Rules, but under such conditions that these Materialised Notes shall not constitute "registration required obligations" by the United States Tax Equity and Fiscal Responsibility Act of 1982 (**TEFRA**), in such case the applicable Final Terms shall indicate that the transaction is outside the scope of the TEFRA rules. The TEFRA rules do not apply to Dematerialised Notes.

RISK FACTORS

This section describes the main risks that may, as of the date of this Base Prospectus, affect the business, financial situation, reputation, results or prospects of Groupe Agence France Locale, as identified in particular in drawing up Groupe Agence France Locale's risks map. This map assesses the criticality of the risks, i.e. their severity in terms of operational, financial, legal/regulatory and reputational impact and also the likelihood of their occurrence, having regard to the action plans put in place. This section also describes the key risks inherent in the Notes issued under the Programme. Within each of the risk categories mentioned below, the most material risk factors are listed in a manner that is consistent with the Issuer's assessment, as of the date of this Base Prospectus, of the probability of their occurrence and the expected magnitude of their negative impact.

The risks described below are not the only risks to which an investor in the Notes may be exposed and investors' attention is drawn to the fact that the list of risks presented in this section of this Base Prospectus is not exhaustive. Other risks and uncertainties, that are currently unknown to the Issuer or the materialisation of which is not considered, at the date of this Base Prospectus, likely to have a material adverse effect on the Groupe Agence France Locale, its business, financial situation, results or prospects, could or may exist or arise and have a significant impact on investments in the Notes. Potential investors must also read the detailed information which appears in this Base Prospectus (including all the information incorporated therein by reference) and form their own opinion before taking any investment decision. In particular, investors must conduct their own examination of the risks linked to the Notes before investing in the Notes and must consult their own financial, tax or legal advisers in relation to the risks linked to an investment in a specific Tranche of Notes and the appropriateness of an investment in the Notes having regard to their own situation.

All terms beginning in capital letters and not defined in this section will have the meaning given to them in the "Terms and Conditions of the Notes" section.

Any reference below to a Condition is a reference to the correspondingly numbered condition in the section "Terms and Conditions" of the Base Prospectus.

1. RISK FACTORS RELATING TO THE ISSUER

1.1 Strategic risks

A. The economic, financial and political environment of the markets in which the Issuer operates or raises finance could have a significant impact on the Issuer's financial situation and results.

The Issuer, which is a specialised credit institution financing exclusively French local authorities, could be strongly affected by a significant deterioration in the economic, financial, political or geo-strategic environment of the countries and markets in which it carries out its refinancing activities or invests its cash.

In recent months, rising tensions in the Middle East, notably the war in Iran and southern Lebanon, have created new sources of instability for the global economy. Indeed, these conflicts have led to a sharp increase in the price of oil and gas with rapid repercussions on growth, inflation and financial stability.

More specifically, on a global scale, the main cause of the rise in oil and gas prices is the disruption of traffic in the Strait of Hormuz, through which a considerable share of the world's hydrocarbon production passes. This situation is generating an increase in production costs and a slowdown in activity, which could result in a return to stagflation as experienced by the global economy in the 1970s during the two oil shocks.

As of the date of this Base Prospectus, international institutions are anticipating a slowdown in global growth and a sustained rise in inflation. In Europe, energy dependence makes the impact significant. The rise in gas and electricity prices could soon impose a burden on both industry, with rapid increases

in producer prices and also, on household purchasing power. Financial markets remain resilient for the time being, but volatility is increasing and central banks may decide to tighten their monetary policies in the coming months.

The trade tensions between the United States and a number of countries, together with the conflicts in Ukraine and the Middle East, bear witness to a world fragmented into blocs with opposing visions. A change in the situation could destabilise Europe, the Issuer's main area of operation, and cause volatility on the international financial markets on which the Issuer refinances itself or where it places its cash.

In France, the compromises reached by Sébastien Lecornu's government have temporarily reduced the governmental instability that had characterised the year 2025. However, this easing of tensions has come at the expense of structural budgetary reforms, the absence of which is burdening France's financial progress. The risk premium gap with German bonds, which are considered safer, has widened in recent years. In September and October 2025, France's sovereign ratings were downgraded one notch to A+ by Fitch and S&P, which automatically led to the downgrading of the Issuer's ratings to A+ by these agencies. In this context, and in the absence of a credible prospect of the adoption of structural fiscal reform, the risk premiums on the debts of the French State, the public sector and the Issuer could continue to increase or remain high, which would impact the Issuer's profitability if it were unable to transfer the cost to its borrowers or if it could only do so with a time lapse.

With growth of +0.9% in France for 2025 according to Eurostat and +1.5% for the Euro area, the economic environment is relatively resilient, in a context where inflation appears to be under control. In this context, and despite recent signs of potential monetary easing from the ECB (the deposit rate is 2% as of the date of this Base Prospectus) and the fragility of France's fiscal credibility, which is pushing risk premiums upwards, growth in France and the Euro area could be further eroded by an intensification of trade wars and the consequences of the war in the Middle East.

The financial situation of the Local Authorities – the Issuer's only borrowers – seems to have improved overall in 2025. The initial trends show a recovery in their savings capacity, driven by a moderation of operating expenditure, particularly as a result of the decline in inflation, as well as by a more favourable trend in tax revenue, in particular transfer duty (DMTO), an essential resource for the departments. However, the situation remains mixed depending on the category of local authority. The municipal sector appears to be generally robust in terms of budget, in particular thanks to local taxation, while the departments and regions continue to face persistent financial pressures, as evidenced by the decline in their investments in 2025.

In a context of deteriorating national public finances, the Local Authorities are called upon to contribute to the budgetary consolidation effort. The budgetary effort is mainly borne by groupings with independent taxation powers and the regions. However, the lack of a clearly defined multi-year budgetary trajectory reduces the financial visibility of the Local Authorities – despite the renewal of the municipal and inter-municipal executive bodies in the spring of 2026 – and could weaken some of them. Whilst this potential deterioration remains structurally constrained by the "golden rule", which requires local authorities to finance the repayment of their debt through their savings, it could nevertheless result in an increase in the level of write-downs for the Issuer, or even, in extreme cases, in a Member's default on its obligations towards the Issuer or under the Member Guarantee (see risk factor "*C. The Issuer is exposed to the credit risk of its borrowers and counterparties.*").

More generally, the Issuer's exposure to the French local public sector exposes it to risks related to the national economic and social environment, which may affect local budgets, as well as to changes in public policies relating to the financing of the Authorities. These developments could restrict the borrowing capacity of the Member Authorities and reduce their budgetary margins, with a potentially significant impact on the Issuer's credit production and its results.

B. The competitive environment could affect the Issuer's activities. It may not generate the expected interest amongst Local Authorities. The Issuer conducts these activities for the sole benefit of Member Local Authorities and therefore has no prospect of diversification.

Existing and/or growing competition in the local public sector financing market coming in particular from operators such as the Caisse de Dépôts through the Banque des Territoires and the LBP-SFIL-CAFFIL group the BEI, la Société Générale the BPCE group or the Crédit Agricole group or capacity for making recourse to the bond markets for the largest local authorities could lead to (i) a sharp reduction in the Issuer's profit margins and (ii) very limited production of new Issuer loans, which would adversely affect the Issuer's net banking income.

Although the formation of the Issuer derives from the law and meets a robust and constant desire expressed in recent years by a significant number of Local Authorities, the development of the Issuer's activities depends on Local Authority interest in the model deployed by the Issuer. Development could be affected by the reluctance of Local Authorities to join AFL Group, which involves Local Authorities becoming shareholders of ST, paying ICCs and acting as guarantors under the Member Guarantee, or by the restrictions on raising debt to which they may be subject.

A lack of interest from Local Authorities could delay the build up by the Issuer of the capital necessary to grow its business, and in the absence of sufficient ICC payments, slow the growth of the production of loans, or even compromise its sustainability, it being specified that the Issuer proceeded, in December 2024, with the issue of subordinated debt securities of lowest ranking with an indefinite term, of a nominal amount of €50 million, recognised as additional tier 1 capital of the Issuer and the AFL Group as of 31 December 2025.

Under Article L. 1611-3-2 of the French General Local Authorities Code (*CGCT*), the Issuer operates for the exclusive benefit of the Member Local Authorities; it therefore has no prospect of diversification. Although today the number of Local Authorities joining the AFL Group is progressing consistently, if the Local Authority financing market becomes less attractive, the Issuer will not be able to develop an alternative business, which would undermine its sustainability.

C. The Issuer is supervised by the French prudential and resolution supervisory authority (Autorité de Contrôle Prudentiel et de Résolution) and is subject to an ever-changing regulatory framework, which could have an impact on its financial position.

The Issuer has been approved by the Autorité de Contrôle Prudentiel et de Résolution ("**ACPR**") since 12 January 2015 as a specialist credit institution. This approval is essential for the conduct of the Issuer's business. This approval imposes a number of regulatory requirements on the Issuer, including the requirement to comply with specific legal provisions and prudential ratios.

Changes in the regulatory framework are likely to disrupt the Issuer's forecasts in the context of its business plan, reinforce some of its obligations and negatively impact its results.

The Directive 2014/59/EU of 15 May 2014, as amended (the **RRD**), and Regulation no. 806/2014 of 15 July 2014 as amended by the Regulation (EU) 2019/877 of 20 May 2019 on the Single Resolution Mechanism (the **SRM**), establish a framework for the recovery and resolution of credit institutions and investment firms which aims to enable a wide range of actions that can be taken by the relevant regulators in relation to credit institutions and investment firms that are considered to be at risk of default. The aim of the RRD is to equip the resolution authorities, including the ACPR in France, with common and effective instruments and powers to pre-emptively tackle banking crises, preserve financial stability and minimize taxpayers' exposure to losses.

The SRM establishes several resolution instruments which can be implemented (a) in the event of actual or foreseeable failure of the Issuer or the Group, (b) if there is no reasonable likelihood that a measure, other than of a private nature or a supervisory action, could prevent the failure and (c) a resolution measure is necessary in the public interest:

Article 22 of the SRM lists the following resolution mechanisms:

- Transfer on normal terms either of the establishment itself, or of all or part of its activity, without the consent of the shareholders;

- Bridge institutions – allows resolution authorities to transfer all or part of the activities of the institution to a "bridge institution" (an entity under public control);

- Separation of assets – allows resolution authorities to transfer impaired or toxic assets into a structure that can manage and, in time, reorganise such assets; and

- Bail-in – allows resolution authorities to depreciate some subordinated and unsubordinated debt (including principal and interest on the Notes) of a failing institution and/or to convert it into equity securities, which can then be further depreciated or reduced.

The minimum requirement for own funds and eligible liabilities of each credit institution is determined by the resolution board, in particular by reference to the following criteria:

- the requirement for the adopted resolution measures to fully satisfy the resolution objectives;

- the need, where appropriate, for the credit institution to have a sufficient level of eligible liabilities to ensure that losses can be absorbed and that the minimum own funds requirement of the credit institution, the subject of a resolution procedure, may be brought to the level necessary for it to continue to fulfil the conditions of its approval and to carry on the activities for which it has been approved and for the market to remain sufficiently confident in such credit institution;

- the size, business model, financing model and risk profile of the credit institution;

- the negative effects of the failure by the credit institution in question on financial stability, in particular as a result of the contagion effect due to its inter-relationship with other institutions or with the financial system as a whole.

AFL has been publishing its own funds ratios at the level of the Issuer and also at the level of the AFL Group since 31 December 2025.

At its session on 24 October 2024, the ACPR Supervisory Board reviewed the prudential profile of the AFL Group. At the end of this annual review, the ACPR Board decided not to renew the capital requirement and guidance (Pillar 2) that had applied until then, with effect from 1 January 2025.

So, as of 31 December 2025, the total equity capital prudential requirement applicable to the Issuer is 11.45%:

- The minimum requirement of 8%;

- An additional "Pillar 2" capital requirement of 0%;

- A requirement relating to the capital conservation buffer set at 2.5%; and

- A countercyclical capital buffer requirement applicable to French exposures of 0.95%.

Indeed, since 2 January 2024, the Financial Stability Board set the countercyclical capital buffer level applicable to French exposures at 1%. Once applied to the Issuer's eligible exposures, this buffer generates an additional capital requirement of 0.95% as at 31 December 2025.

With a "Tier 1" solvency ratio of 68.7% and a "CET1" solvency ratio of 57.8% as at 31 December 2025, the Issuer exceeds the applicable prudential requirements. At the consolidated level, the AFL Group (consolidated at the level of the ST) exceeds the applicable prudential requirements, with a "Tier 1" solvency ratio of 61.3% and a "CET1" solvency ratio of 59.5% as at 31 December 2025.

Due in particular to its risk profile and business, the Issuer has adopted the liquidation strategy as its resolution strategy, and therefore its minimum requirement for own funds and eligible liabilities (MREL)is set as the loss absorption amount, which is calculated as the sum of the capital requirements. As of 31 December 2025, the Issuer's MREL requirement is €36.2 million and the Issuer's Tier 1 prudential capital amounts to €310.8 million.

The powers conferred on the resolution authorities, or the Issuer's failure to comply with the minimum requirement for own funds and eligible liabilities, could have an impact on the way it is managed, as well as on its financial situation and business plan.

Failure to comply with regulatory requirements could also force the Issuer to implement one or more recovery measures, or even result in the revocation of the Issuer's accreditation and jeopardize the ongoing existence of the Issuer.

1.2 Financial risks

A. The Issuer is exposed to the three dimensions of liquidity risk

- The liquidity price risk:

This is the risk of deterioration in the refinancing conditions of certain assets that could generate a loss in net banking income, given the mismatch between the maturity of the refinanced assets and the maturity of the liabilities.

Due to the almost total interest rate hedging of the Issuer's balance sheet, this mismatch results in exposure to the risk of adverse changes in credit spreads. Indeed, applied to a fixed-rate balance sheet, the conversion risk, materialised through the risks of replacement and refinancing, is above all an interest rate risk but, applied to a balance sheet almost entirely variabilised such as that of the Issuer post-hedging (in which the interest rate risk is almost totally hedged), the conversion risk then represents almost totally a spread and liquidity risk as a result of the hedging arrangements put in place to hedge interest rate risk. While the variability of almost all the items recorded on the Issuer's balance sheet on a 3-month Euribor reference makes it possible to neutralise almost entirely the interest rate component of the replacement and refinancing risks to which the Issuer is exposed, this strategy does not make it possible to neutralise the spread component to which it remains subject.

A deterioration in macroeconomic conditions (see the risk factor "*The economic, financial and political environment in the markets in which the Issuer operates or raises finance could have a significant impact on the Issuer's financial situation and results*") or a lack of interest by Local Authorities in the products offered by the Issuer (see the risk factor "*The competitive environment could affect the Issuer's activities. It may not generate the expected interest amongst Local Authorities.* The Issuer conducts these activities for the sole benefit of Member Local Authorities and therefore has no prospect of diversification"), or an operational loss could also result in a downgrading of the Issuer's rating or an increase in its refinancing costs, which would have an impact on its financial position, mitigated by its ability to pass these costs on to its borrowers.

On 31 December 2025, the difference in average maturity between the assets and liabilities of AFL (DVM) was 1.36 years and AFL's NSFR ratio was 157%.

- The financing risk

This is the risk for the Issuer of being unable to raise the liquidity necessary to meet its commitments and financing needs related to its development. As the AFL's liabilities are not made up of overnight deposits but of market resources, the refinancing of the AFL depends on investors' appetite for its debt. In an environment where the debt rating of the French State, and therefore that of the AFL, is downgraded to A+, certain investors, due to investment rules that limit them to issuers with an AAA or AA rating, may no longer be interested in acquiring debt issued by the French public sector (including by the AFL). This increased risk, in a context where the financing needs of the French public sector are rising, could contribute to increasing the cost of debt issued by the AFL and weigh on its refinancing cost and therefore on its result, or even limit its ability to refinance itself.

Due to the almost total hedging of the AFL's balance sheet against interest rate risk and the currency hedges of assets or liabilities denominated in foreign currency on the balance sheet, which require the use of a large notional amount of swap contracts, significant margin calls may be observed, which may weigh on the AFL's liquidity needs.

As at 31 December 2025, AFL has a liquidity cushion of €2.2 billion which corresponds to an NCRR ratio level of 101% representing an ability for AFL to conduct its activities without raising funds on the markets for a period of almost 12 months. The AFL's 30-day regulatory liquidity coverage ratio (LCR) was 485% as at 31 December 2025.

The Issuer has had access to ECMS (*Eurosystem Collateral Management System*) since 16 June 2025, which replaced TRiCP (*Traitement Informatique des Créances Privées*), a European refinancing mechanism with the ECB through which the Issuer has a credit line with the central bank, accessible at any time through the mobilisation of medium-long term loans provided as collateral. However, if the Issuer were, for example, to suffer an unforeseen event relating to its treasury or collateral (for example from assets placed as collateral for its exchange or interest rate derivative transactions), and/or if it were unable to access the debt market under reasonable conditions for an extended period, its financial situation could be adversely affected.

- The illiquidity risk:

This is the risk of a short-term cash shortfall, particularly associated with the risk for the Issuer of being unable to sell an asset in a market without suffering a loss of value.

As at 31 December 2025, solely for the portfolio of financial assets measured at fair value through own funds, the net balance sheet value of which was €721 million, the impact of gains and losses accounted for directly in own funds was €2.6 million net of deferred tax.

B. Changes in interest rates and exchange rates are likely to negatively affect the Issuer's financial position.

Interest rate risk

Interest rate risk covers the risk that the Issuer suffers loss caused by an adverse change in interest rates, due to its balance sheet and off-balance sheet transactions, particularly in cases where there is an imbalance between interest rates generated by its assets and those due under its liabilities.

In order to guard against interest rate risk, the issuer enters into hedging contracts.

The Issuer's interest rate risk hedging policy involves a micro-hedging or almost systematic macro-hedging of the Issuer's debts, the loans granted by the Issuer and the securities held in the liquidity reserve to convert them into floating rate instruments indexed to the Euribor 3-month benchmark, or debt issued by the Issuer convertible into €STR-linked floating rate instruments, using interest rate swaps. Depending on rate variations, the hedging put in place protects the Issuer against a uniform increase in the rate curve and the basis risk associated with the €STR indexing of certain elements of its balance sheet; it generates liquidity risk due to margin calls as well as credit risk on swap

counterparty banks or the clearing houses LCH S.A. and Eurex Clearing. It does not cover the risk of adverse changes in credit spreads arising from the fact that the credit spread on the Issuer's asset exposures does not move in line with the Issuer's credit spread (see the risk factor "*The Issuer is exposed to liquidity risk in its three dimensions*").

As at 31 December 2025, the interest rate risk hedging strategy resulted in outstanding notional swaps of €19.6 billion. The amount of margin calls received, net of margin calls paid, in respect of interest rate derivatives was €214.5 million.

At 31 December 2025, the decrease in the net present value (NPV) of the Issuer's own funds amounted to -5.5% assuming an upward translation of more than 200 basis points of the yield curve, well below the regulatory limit of 15%.

NPV sensitivity - "Old outlier test" (as % of prud. capital)			
Rate scenario	31/12/2025	31/12/2024	Limit
+200 bp	-5.5%	-7.0%	15.00%
+100 bp	-2.9%	-3.6%	15.00%
-100 bp	3.2%	3.9%	15.00%
-100 bp floored	3.2%	3.9%	15.00%
-200 bp	6.7%	9.3%	15.00%
-200 bp floored	6.7%	9.3%	15.00%

The Issuer has implemented scenarios to calculate the sensitivity of the NPV of its own funds to assumptions of a non-linear variation in the yield curve (IRRBB). As of 31 December 2025, the NPV sensitivity to these various scenarios is shown in the table below.

NPV sensitivity - 6 Shocks - BCBS IRRBB (as % of prud. capital)			
Rate scenario	31/12/2025	31/12/2024	Limit
Parallel increase +200 bp	-5.5%	-7.0%	15.00%
Parallel decrease -200 bp	-6.7%	9.3%	15.00%
Increase in ST rates	-0.4%	-1.1%	15.00%
Decrease in ST rates	1.2%	1.6%	15.00%
Steepening	-2.2%	-2.2%	15.00%
Flattening	1.4%	1.1%	15.00%

At 31 December 2025, as indicated in the table below, for parallel shocks between minus 200 basis points and plus 200 basis points, the sensitivity of the Issuer's net interest margin is below the limit of 5% of own funds:

NIM sensitivity -(as % of prud. capital)			
Rate scenario	31/12/2025	31/12/2024	Limit
Sc. +100 bp	0.46%	-0.08%	5.00%
Sc. -100 bp	-0.47%	0.08%	5.00%
Sc. +200 bp	0.93%	-0.17%	5.00%
Sc. -200 bp	-0.94%	0.29%	5.00%

Finally, due to the sensitivity of the IFRS valuation of the Issuer's exposure to interest rate levels, a fall in long term rates could adversely affect the Issuer's capital ratio.

Finally, there is still an exposure to fluctuating interest rate that may result, in particular, from employing a portion of the Issuer's own funds in non-interest rate hedged loans granted to Local Authorities, from certain non-interest rate hedged short-term positions, from differences in indexation between in particular part of the deposits placed by the Issuer with the Banque de France at overnight

rates and the Issuer's liabilities or differences in interest rate benchmark fixing dates among the various elements of the balance sheet.

Accordingly, a change in interest rates or in the spreads could have a negative impact on the Issuer's net present value or its future results.

Currency risk

Currency risk covers the risk that the Issuer generates a loss due to borrowed or lent funds in currencies other than euro.

In order to protect against foreign exchange risk, the Issuer enters into hedging contracts. The Issuer's policy aims to systematically cover foreign exchange risk by entering into currency micro-hedging swaps. Thus, assets and liabilities denominated in currencies other than the euro are systematically hedged in euros from the moment they enter the balance sheet until their final maturity.

As at 31 December 2025, outstanding notional currency swaps totalled €1.48 billion. The hedging put in place generates liquidity risk due to the sensitivity of margin calls to exchange rate fluctuations as well as credit risk on swap counterparty banks. The amount of margin calls paid, net of margin calls received, under these hedging instruments was €24.4 million as at 31 December 2025.

C. The Issuer is exposed to the credit risk of its borrowers and counterparties.

The borrowers credit risk

Under Article L. 1611-3-2 of the *CGCT*, the Issuer operates for the exclusive benefit of the Member Local Authorities shareholders of ST, the Issuer's parent company, and guarantors of the debt instruments (including the Notes) issued by the latter, up to the amounts outstanding under their respective Medium-Long Term Loans.

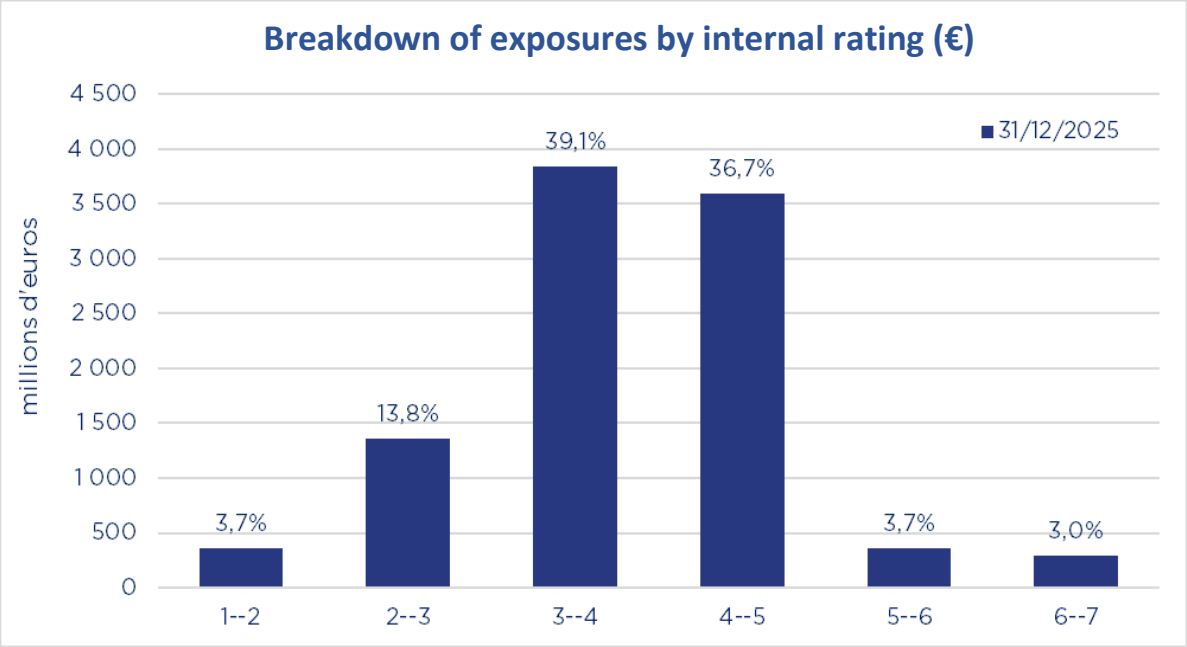
As of 31 December 2025, the total outstanding amount of Medium-Long Terms Loans to Member Local Authorities carried by the Issuer amounted to €9,721 million.

In accordance with applicable law, the Member Local Authorities are all local authorities, their groupings and French local public institutions.

The breakdown by rating of the Issuer's portfolio of loans to Member Local Authorities highlights the granular and high quality nature of its portfolio.

As of 31 December 2025, this portfolio is exposed to the tune of 17.5% to Member Local Authorities with ratings of between 1 and 2.99. The five largest exposures represent 12.5% of the portfolio. The largest exposure represents 3.1% of the portfolio and the fifth, 2.3%. As of 31 December 2025, the average rating of the loans granted by the Issuer to its Members, weighted by outstanding amount, was 3.75 on a scale of 1 to 7 (1 representing the best rating and 7 the worst).

The following chart shows the rating breakdown of the portfolio of loans granted by the Issuer to its Member Local Authorities at 31 December 2025:



Local Authorities, as current or future Members, have a very limited risk profile due to the institutional rules governing their operations, which are similar from one Member Local Authorities category to another; consequently the loans granted by the Issuer benefit from this same profile. However, the failure of a Member to meet its obligations to the Issuer or under a Member Guarantee cannot be ruled out. This risk is increased in a context where local authorities should be called upon to restore the public accounts, which could involve a reduction in the resources granted to them by the French State (see also the risk factor "*The economic, financial and political context of the markets in which the Issuer operates or finances itself may have a significant impact on the financial situation of the Issuer and its results*").

As at 31 December 2025, the AFL has four bad debts with a total outstanding amount of €191,257.

	31/12/2025				31/12/2024			
	Agence France Locale Employment - IFRS				Agence France Locale Employment - IFRS			
Distribution by IFRS 9 stages	Gross exposures (€)		Provisions (€)		Gross exposures (€)		Provisions (€)	
Stage 1	11,836,964,497	98.84%	1,371,742	91.51%	10,431,421,676	99.04%	1,437,061	93.55%
Stage 2	138,737,681	1.16%	127,219	8.49%	100,691,324	0.96%	99,048	6.45%
Stage 3	191,257	0.00%	2	0.00%	-	0.00%	-	0.00%
Total	11,975,893,436	100%	1,498,964	100%	10,532,113,000	100%	1,536,109	100%

Since the Issuer can only grant loans to Member Local Authorities, the Issuer has by nature a high concentration of its credit risk on a single type of actor. The Issuer is therefore exposed to the possible deterioration in the situation of this sector (see also the risk factor "The economic, financial and political environment in the markets in which the Issuer operates or raises finance could have a significant impact on the Issuer's financial situation and results").

The materialisation of such risks could result in a loss of value for the Issuer.

The counterparty credit risk

As a result of its cash investments, the Issuer carries credit risk on the issuers of the securities in its treasury portfolio. Although the Issuer's investment policy is prudent, it remains exposed to the risk that the issuers of the securities in which it invests may be unable to meet their financial obligations or the resulting increase in spreads, an increased risk in the context of a deteriorated economic and financial situation. The occurrence of such an event may generate a loss of income and/or weigh on the Issuer's own funds and its capital ratios.

The ratings for AFL's exposures are of very good quality, with, at 31 December 2025, 40% of the exposure arising from the liquidity reserve notes whose ratings are equal to or greater than AA- according to the S&P Global Ratings Europe Limited (**S&P**) ratings. The average weighted risk for this portfolio is 6.5%.

In addition, the Issuer clears almost all of its interest rate derivatives through clearing houses, and its exchange rate derivatives bilaterally. The Issuer is not in a position to ensure that its counterparties under the hedging contracts put in place, whether clearing houses or banking establishments, will be able to satisfy their obligations. A failure on their part could affect the Issuer’s financial situation.

1.3 Non-financial risks

A. The Issuer is exposed to human resources risk

Due to its structure, the Issuer relies on a limited number of individuals (42.32 FTE as of 31 December 2025) for its operational requirements. The loss of one or more essential individuals, either through poaching or temporary or permanent unavailability (through accident or illness) may therefore pose a risk for its organisational and operational capacities or indeed a loss of know-how, which could have a significant impact on its continued activity and future results.

B. An operational failure, interruption or operational incident affecting the Issuer's partners, or a failure or violation of the Issuer’s information systems could result in loss.

The capital requirement for operational risk totalled €3.7 million as of 31 December 2025 for the AFL Group.

As a specialist credit institution, communication and information systems are essential to the activity and operations of the Issuer. The Issuer has chosen to make extensive use of outsourcing of these aspects. Any breakdown, malfunction, interruption or violation of its systems or those of its external providers (including cyber risk) or those of other market operators (such as clearing houses, brokers

and financial service providers), even brief and temporary, could result in significant disruption to the Issuer's activities.

Such incidents could have a significant impact on the ability of the Issuer to conduct its business and may result in significant direct or indirect operating loss and thereby damage the reputation of the Issuer.

There were no significant operating losses during the past financial year.

These risks are increased given the increased number of cyber attacks observed by all banking operators.

C. Failure of the Issuer to comply with applicable regulations could result in loss.

Given its activity as a credit institution, the Issuer must comply with multiple laws and regulations, such as the regulations applicable to credit institutions and issuers of listed securities, data privacy rules, European and US laws and regulations on money laundering, corruption and sanctions. As such, the Issuer is exposed to the risk of judicial, administrative or disciplinary sanctions in the event of non-compliance with these various regulations. The compliance control system that the Issuer has put in place cannot fully guarantee that such a risk will not materialise. Also, the Issuer does not control the Members' use of the loans granted to them, and it could therefore indirectly, as a result of the activities conducted by Members, find itself in breach of certain regulations applicable to it. The occurrence of such a risk could result in a loss of value or damage to the Issuer's reputation, or even the withdrawal of its approval as a specialized credit institution or its authorisation to issue listed securities, resulting in it being unable to conduct its business.

D. The risk of litigation between the Issuer and any of its counterparties could result in loss

The Issuer was not involved in any significant litigation with any of its counterparties in the financial year ended 31 December 2025. Nevertheless, it cannot be ruled out that a dispute may arise in the course of its business, in particular with a Member Local Authority, which could harm the Issuer's reputation and could result in a loss of value for the Issuer.

1.4 Financial risks due to the effects of climate change

French local authorities are exposed to varying degrees to climatic events. The expected increase in the frequency and severity of events associated with the effects of climate change (extreme weather events such as floods, drought, heat waves or chronic changes such as coastal erosion) can have significant impacts on Local Authorities, in particular on certain overseas authorities. Such events could have significant negative budgetary impacts for them, varying potentially depending on the size of the Local Authority due to the damage caused or the need to adapt infrastructure; They may also increase their financing needs.

Against this background and given the growing vulnerability of a number of territories and the public and private infrastructure present, the materialisation of such risks could result in a loss of value for the Issuer, which is exposed to credit risk on Local Authorities (please refer to risk factor "C. The Issuer is exposed to credit risk of its borrowers and counterparties"). In addition, the Issuer has developed a climate vulnerability indicator based on public data from the Ministry of Ecological Transition, INSEE and Météo France. Using this system it is possible to measure the vulnerability of French local authorities to climate events and to incorporate climate risks into its credit risk analysis. As of the date of this Base Prospectus, the climate vulnerability indicator demonstrates that the great majority of French local authorities are not, or are only slightly, vulnerable to climatic events.

2. RISKS RELATING TO ST

The ST's activity consists mainly of holding almost all of the Issuer's share capital (this holding represented 96% of its non-consolidated balance sheet as at 31 December 2025), overseeing the implementation of the guarantee mechanism and managing, in conjunction with the Issuer, the process for Local Authorities to become members of the Agence France Locale Group and promoting the Agence France Locale Group model. In addition, ST has a limited portfolio of securities. As a result of its activities, the risks to which it is exposed are of the same nature as those that may affect the Issuer (described above) and, were they to materialize, their effects would be identical to those that may affect the Issuer.

3. RISKS RELATING TO THE GUARANTEE MECHANISM

The Notes issued under the Programme are supported by two first demand guarantees, the ST Guarantee and the Member Guarantee (for a description of the ST Guarantee and the Member Guarantee, see the "*Description of the Guarantors and Guarantee Mechanism*" section of this Base Prospectus).

A. The amount guaranteed by each Member in the context of the Member Guarantee is limited to the total outstanding amount it owes to the Issuer under Medium-Long Term Loans.

The Notes issued under the Programme have the benefit of the Member Guarantee (for a description of the Member Guarantee, refer to the section "*Description of the Guarantors and the Guarantee Mechanism*" of this Base Prospectus). However, the amount of each Member Guarantee is capped at the total outstanding amount of Medium-Long Term Loans of the Member granting such Member Guarantee vis-à-vis the Issuer on a given date. The amount of the relevant Member Guarantee changes in accordance with the amortisation schedule of the Member's Medium-Long Term Loans.

In addition, the Issuer does not intend to allocate all the proceeds of the issues made under the Programme to the granting of Medium-Long Term Loans to Members. It plans to allocate around 80% of this, with one part of the said proceeds intended to be kept in such a way as to offer the Issuer the liquidity necessary for its activity (for around 20%).

Consequently, as the amounts borrowed by the Issuer are higher than the total amount of Medium-Long Term Loans granted to Members and the total amount of Member Guarantees on any given date does not cover the total outstanding amount of the financial commitments agreed by the Issuer and, in particular, the outstanding amount of the Notes. Therefore, in the event of failure of the Issuer, the total amount of Member Guarantees being less than the total amount of the Issuer's potential obligations to Noteholders, the Noteholders may suffer a financial loss. This may result in a decrease in the market value of the Notes, which may result in Noteholders losing all or part of their investment in the Notes. This risk is mitigated by the following:

- the quality of the notes present in the liquidity reserve, which are almost exclusively rated A- or higher and over 70% of which have an HQLA rating (i.e. high quality and liquid assets, in accordance with banking regulations), which the Issuer may sell in order to ensure payment of the sums due to the Beneficiaries;

- the ability of the Issuer to use the line of credit available from the Banque de France and the European Central Bank via the ECMs facility[1], for which almost all of its portfolio of Medium-Long Term Loans constitutes eligible collateral; and

- the waiver by each Member, under the terms of the Shareholders' Agreement, of any right to offset its receivable which it may have under the right of recourse with the debt to repay its

[1] Eurosystem Collateral Management System (ECMs):
https://www.banque-france.fr/fr/strategie-monetaire/cadre-operationnel/garanties/ecms

outstanding amount; in other words, the enforcement of the Member Guarantee does not extinguish the outstanding credit of the Member concerned on the balance sheet of the AFL.

B. ST does not have the cash and assets to pay the full amount for which it may be liable were it to meet all of its liabilities under the ST Guarantee.

The Notes issued under the Programme have the benefit of the ST Guarantee (for a description of the ST Guarantee, please see the section "*Description of the Guarantors and the Guarantee Mechanism*" of this Base Prospectus). The maximum cap of the ST Guarantee was set at €25,000,000,000 by the ST Board of Directors meeting held on 10 June 2026.

ST has neither the cash nor the necessary assets to pay the amounts which it could be liable if all of its financial commitments covered by the ST Guarantee were to be called. In such a case, it might be called on the Member Guarantees on behalf of Beneficiaries and the Members therefore would replace ST in the payment of amounts due to Beneficiaries within the limits of their respective outstanding debt under Medium-Long Term Loans owed to the Issuer.

Although Member Guarantees are stand-alone first-demand guarantees, ST could therefore be dependent on the proper performance of their obligations by Members under the Member Guarantees.

C. Noteholders are not preferred creditors of ST or Members.

Competition from other creditors

Other financial commitments than those made by the Issuer under the Programme could benefit from the ST Guarantee or Member Guarantees.

Since ST does not have the cash or assets to pay the sums it could be liable for if all of its ST Guarantee liabilities were to be called, and with the total amount guaranteed under Member Guarantees being capped at the total outstanding under the Medium-Long Term Loans granted to Members, Noteholders could thus face competition from other creditors in the event that the Guarantees are called and may not receive the full amount owed to them under their guarantee.

Amounts placed in the escrow accounts opened in the name of the ST for the benefit of the Beneficiaries

The Issuer is entitled to call upon the ST Guarantee in the name and on behalf of the Beneficiaries. Amounts issued from the guarantee calls are placed in an escrow account opened in the name of the ST in the books of a financial institution independent from Agence France Locale Group acting as an account holder, and must be used exclusively to pay the Beneficiaries upon the date of maturity of their debt.

Similarly, under Member Guarantees, the sums derived from calls by the ST are placed in an escrow account opened in the name of ST in the books of a financial institution independent from Agence France Locale Group acting as an account holder, and must be used exclusively to pay the Beneficiaries upon the date of maturity of their debt.

Pursuant to the provisions of the ST Guarantee and the Member Guarantees, the ownership of the sums resulting from calls under the guarantees is transferred to the Beneficiaries as soon as they are paid into the escrow accounts opened in the name of the ST, so that the sums thus entered in the escrow accounts remain blocked and cannot be seized by ST's creditors, the AFL or the Members.

However, payment to the Beneficiaries of amounts deposited in the escrow accounts depends on the instructions given by the Issuer or the ST to the account holder of such escrow accounts, in accordance with the ST Guarantee or the Member Guarantee to pay such amounts to the Beneficiaries. If the Issuer or the ST, as the case may be, were to fail to give such instructions to the account holder of such

relevant escrow accounts, the Beneficiaries might not receive the amounts paid into the escrow accounts.

D. The property of public bodies may not be the subject of enforcement proceedings under the ordinary rules of law.

As part of the implementation of the Member Guarantee, if a Member fails to perform its obligations or does not perform them within the required time limits, a Beneficiary may not recover the amounts called under this Guarantee by recourse to the law means of enforcement under the ordinary rules of law insofar as, as legal entities governed by public law, the property of Members is exempt from seizure. Only administrative remedies under public law could be brought, which generally involve different delays and procedures from those under ordinary law, which may delay or complicate the recovery of amounts due under the Member Guarantee concerned.

The Beneficiaries of the Member Guarantees nevertheless have the option of calling as guarantor a Member other than the one whose obligations have not been performed or not performed within the required timeframe, by availing themselves of substitutability, which is a specific provision of the collateral scheme applicable in particular to the Securities, should such a situation arise.

4. RISKS RELATING TO THE NOTES

4.1 Risks for Noteholders as creditors of the Issuer and ST and Members

A. An investment in the Notes exposes Noteholders to credit risk on the Issuer who may not be covered under the ST Guarantee and the Member Guarantee and consequently to a risk of capital loss.

The Issuer has been assigned an A+ rating, with a stable outlook, by Fitch and by S&P, which testifies to the very remote likelihood of default and its very robust ability to meet its financial obligations. Nevertheless, Noteholders remain exposed to credit risk on the Issuer, i.e. to the risk that the Issuer will be unable to meet its financial obligations under the Notes. With the exception of the ST Guarantee (refer to Condition 4.1 "*ST Guarantee*") and the Member Guarantee (refer to Condition 4.2 "*Member Guarantee*"), the Noteholders enjoy no capital protection or guarantee in respect of their investment in the Notes, which are senior preferred (within the meaning of Article L. 613-30-3-I-3 of the French Monetary and Financial Code) unsecured obligations of the Issuer ranking equally amongst themselves (subject to mandatory exceptions under French law) and equally with all other senior preferred unsecured obligations of the Issuer (see Condition 3 "*Status and Ranking*"). If the Issuer's solvency deteriorates, if ST is unable to meet its ST Guarantee obligations (see the risk factor "*ST does not have the cash and assets to pay the full amount for which it may be liable were it to meet all of its liabilities under the ST Guarantee*"), and if the outstanding Member Guarantees do not cover all of the obligations that the Issuer is unable to satisfy (see the risk factor "*The amount guaranteed by each Member is limited to the aggregate outstanding amount it owes to the Issuer under Medium-/Long-Term Loans*"), the negative impact on Noteholders would be very significant, insofar as this may lead to the credit risk materialising, which would result in a decrease in the market value of the Notes and Noteholders losing all or part of their investment in the Notes.

B. During a resolution procedure, the Terms and Conditions of the Notes could be amended and the Notes could be converted into ordinary shares to absorb losses.

As part of their resolution powers (see the risk factor "*The Issuer is supervised by the French prudential and resolution supervisory authority (Autorité de Contrôle Prudentiel et de Résolution) and is subject to an ever-changing regulatory framework, which could have an impact on its financial position*"), the resolution authorities will place the initial burden for losses upon the Issuer's shareholders and then upon the holders of equity instruments issued by the Issuer, if any, and then upon ordinary creditors such as the Noteholders, which are senior preferred creditors within the meaning of Article L. 613-30-3-I-3 of the French Monetary and Financial Code (see Condition 3

"*Status and Ranking*"), as in a typical insolvency procedure. Although the Notes benefit from the ST Guarantee and Member Guarantees, their principal amount could be reduced, even to zero, the Notes could be converted into ordinary shares, or cancelled or their Terms and Conditions could be amended (their maturity may for example be extended).

The commencement of a resolution procedure could have a very significant negative impact on the market value of the Notes and the Noteholders could therefore lose all or part of their investment.

C. In insolvency proceedings, the rights of the Noteholders could be affected.

The Issuer is a company (*société anonyme*) whose registered office is located in France. Notwithstanding any resolution measure that may be initiated, if the Issuer were to become insolvent, the insolvency proceedings would generally be governed by French insolvency law insofar as the "centre of main interests" (as defined in regulation (EU) 2015/848, as amended) of the Issuer is located in France.

Under French insolvency law, pursuant to *ordonnance* n° 2021-1193 of 15 September 2021, transposing Directive (EU) 2019/1023 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 (Directive on restructuring and insolvency), in the context of the opening in France of safeguard proceedings, accelerated safeguard proceedings, judicial reorganisation proceedings or judicial liquidation proceedings in respect of the Issuer, the "affected parties" (including creditors, and therefore Noteholders) must be treated as separate categories for the purposes of adopting a restructuring plan. The composition of the categories of affected parties is determined with regard to claims and rights arising prior to the date of the judgement commencing the insolvency proceedings which reflect sufficient communities of economic interest based on verifiable objective criteria. Accordingly Noteholders will no longer deliberate on the proposed restructuring plan in a separate assembly which means that they no longer enjoy a specific right of veto over the plan. Like all other affected parties, the Noteholders shall be grouped together in one or more categories (potentially with other types of creditors). They are bound by the majority vote of the relevant category(ies) and their vote against could potentially be dismissed by forced inter-category application.

Each category's decision is taken by two thirds majority of the votes held by members expressing a vote; no quorum is required.

If the plan is not approved by all categories of affected party, it may be ordered by the tribunal upon request by the debtor, by the judicial administrator with the consent of the debtor, or by an affected party. It may be imposed subject to certain conditions on categories that voted against the proposed plan.

Financial institutions do not fall within the scope of application of Directive (EU) 2019/1023 or *ordonnance* n°2021-1193, unless the competent authority decides to render them applicable. In such case, the application of French insolvency proceedings law to a specialist credit institution such as the Issuer is also subject to the prior consent of the ACPR prior to the opening of any safeguard or judicial reorganisation or liquidation proceedings. This restriction would affect the ability of Noteholders to recover their investment in the Notes.

4.2 Securities market and rating risks

A. The market for the Notes may be volatile and the market value of the Notes may be adversely affected by various events

The market for the Notes is affected by economic and market conditions and, to varying degrees, by interest rates, exchange rates and inflation in other European and industrialised countries. No assurance can be given that events in France, Europe or elsewhere will not cause market volatility or that such market volatility will not adversely affect the value of the Notes or that economic and market

conditions will not have other adverse effects. Such volatility can have a significant negative impact on the market value of the Notes and result in Noteholders losing their investment.

In addition, Noteholders may suffer a capital loss when a Note is sold at a price lower than that paid when it was acquired or subscribed for. The capital initially invested is exposed to the vagaries of the market and may therefore, in the event of adverse market developments, not be returned. The impact for Noteholders can be significant because they may lose all or part, depending on the circumstances, of the value of their investment.

B. An active secondary market in the Notes may not develop or be sustained

Although certain Series of Notes may be admitted to trading on a Regulated Market, such as Euronext Paris, no assurance can be given that an active market in the Notes will develop or, if such market does develop, that it will be sustained or offer sufficient liquidity. If an active market in the Notes does not develop or is not sustained, the market value or price and liquidity of the Notes may be adversely affected. Therefore, Noteholders may not be in a position to easily sell their Notes or to sell them at a price offering a yield comparable to similar products for which an active market would have otherwise developed.

The Issuer has the right to purchase Notes under the terms set forth in Condition 6.7 ("*Purchases*"), and the Issuer may issue new Notes under the terms set forth in Condition 13 ("*Fungible Issues*"). Such actions may adversely affect the development of a market for the Notes and their market value. If additional or competing products are brought on to the markets, this may also adversely affect the market value of the Notes.

C. The rating of the Notes may not reflect the risk factors applicable to the Notes and may affect the market value of the Notes.

As described in the section "*General Description of the Programme*", the Issuer has been assigned an A+ rating with a stable outlook, by Fitch and by S&P. The Programme has an A+ rating assigned by Fitch and by S&P. Notes issued under the Programme may or may not be assigned a rating. This will be stated, if applicable, in the relevant Final Terms. This rating may differ from the rating assigned to the Issuer or the Programme and may not reflect the potential impact of the risk factors described in this section and may therefore affect the market value and liquidity of the Notes. The rating of the Issuer, the Programme or, if relevant, the Notes, may be revised, downgraded, suspended withdrawn by one or more rating agencies at any time whilst the Notes are in existence and thus also affect the market value and liquidity of the Notes.

D. Exchange rate and exchange control risks.

The Issuer pays the principal and interest on the Notes in the Specified Currency (as defined in the Terms and Conditions of the Notes). This presents certain currency conversion risks if an investor's financial activities are principally conducted in a currency or monetary unit (the **Investor's Currency**) other than the Specified Currency. Such risks include the risk that exchange rates may fluctuate significantly (including fluctuations due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that the authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An increase in the value of the Investor's Currency compared to the Specified Currency would reduce (i) the equivalent yield of the Notes in the Investor's Currency, (ii) the equivalent value in the Investor's Currency of the principal payable on the Notes and (iii) the equivalent market value in the Investor's Currency of the Notes.

The Government and the monetary authorities could impose (as has happened in the past) exchange control measures that may adversely affect exchange rates. As a result of these measures, Noteholders could receive a payment in principal or interest that is lower than expected, or even receive neither interest nor principal. If these events were to occur, this would result in a loss of invested capital for Noteholders whose local currency is not the Specified Currency.

4.3 Legal risks relating to the Notes

A. No event of default relating to Guarantees or default by a Guarantor

The Terms and Conditions of the Notes do not contain any event of default in relation to default by a Guarantor under the relevant Guarantee or in relation to the cancellation, nullity or invalidity of a Guarantee (see Condition 9 "*Events of Default*"). Consequently, Early Redemption is not available in the case of default by a Guarantor under the relevant Guarantee or where a Guarantee is, for any reason, null, void or cancelled. If such an event were to occur, this would be likely to severely affect the credit attached to, and the liquidity and market value of, the Notes.

B. Modification of the Terms and Conditions of the Notes

Noteholders will be grouped automatically for the defence of their common interests in a Body (as defined in Condition 11 "*Representation of Noteholders*") and may hold general meetings of Noteholders or adopt written resolutions. The Terms and Conditions of the Notes provide that in certain cases a defined majority of Noteholders can bind all Noteholders, including those who have not voted or taken part in the written consultation or have voted or expressed their view to the contrary.

Subject to the provisions of Condition 11 "*Representation of Noteholders"*, Noteholders may by Collective Decision, as defined in the Terms and Conditions of the Notes, deliberate on any proposal relating to modification of the Terms and Conditions of the Notes, notably on any proposal, whether for arbitration or settlement, relating to rights that are in dispute or the subject of judicial decision. It is possible that such a Collective Decision, adopted by the majority of Noteholders and amending the Terms and Conditions, limits or infringes the rights of the Noteholders. This could have a significant negative impact on the market value of the Notes and could result in Noteholders losing part of their investment in the Notes.

Furthermore, Article 11(d)(C) "*Exclusion of certain provisions of the Commercial Code"* provides that (i) article L.228-65 I. 1° of the Commercial Code requiring prior approval by Collective Decision for any proposal to modify the Issuer's corporate objects or legal form, (ii) articles L.228-65 I. 3°, L.236-14 and L.236-23 requiring prior approval by Collective Decision for any proposed merger or demerger but only in the case of an intragroup merger or demerger, and (iii) article L.228-65 I. 4° requiring prior approval by Collective Decision for the issuance of secured bonds shall not apply to the Notes, accordingly, Noteholders may not be able to approve or object to certain significant transactions carried out by the Issuer, the implementation of which may adversely affect their interests.

4.4 Risks associated with specific issues of Notes

a) Risks relating to interest rates

A. Regulation and reform of benchmarks may have a material adverse impact on Notes linked to or referencing a benchmark

The Final Terms applicable to a Series of Floating Rate Notes may provide that the Floating Rate Notes are indexed to or referenced to a "benchmark" (including EURIBOR (or TIBEUR in French), or the CMS Rate) (see Condition 5.3 "*Interest on Floating Rate Notes*") falling within the scope of regulatory guidance and reform proposals at national and international level.

Regulation (EU) 2016/1011 of the European Parliament and of the Council dated 8 June 2016 (the **Benchmarks Regulation**) and, more generally, any international or national reform or any strengthening of the regulatory supervision of "benchmarks", could have a material impact on Notes that are linked to, or reference, a benchmark, in particular in certain circumstances, the use of such "benchmark" by a supervised entity might no longer be permitted, and if the methodology or other methods of determining the benchmark were to be changed in order to comply with regulatory requirements. Such changes could, in particular, have the effect of reducing, or increasing the rate or level, or otherwise affecting the volatility of a benchmark, may increase the cost and risk of

administering a benchmark or participating in any manner in the determination of a benchmark or of compliance with these regulations or requirements. Such factors may have the following effects on certain benchmarks (in particular EURIBOR (or TIBEUR in French), or the CMS Rate): (i) to discourage market participants from continuing to administer or contribute to certain benchmarks; (ii) to trigger changes in the rules or methodologies used for certain "benchmarks" or (iii) lead to the disappearance of certain benchmarks.

In the event of any interruption or any unavailability of a benchmark, the interest rate applicable to Notes linked to or referencing such benchmark will be calculated, for the relevant period, in accordance with the fall-back provisions applicable to such Notes. Depending on the method used to determine the benchmark under the Terms and Conditions of the Notes, this may, under certain circumstances, (i) where ISDA Determination or FBF Determination applies, result in the application of a backward-looking, risk-free overnight rate, whereas the benchmark is expressed on a forward-looking term basis and includes a risk-element based on inter-bank lending, or (ii) in the event that the Screen Rate is applied, result in the application of a fixed rate determined on the basis of the last rate in force when the benchmark rate was still available which would not be representative of the benchmark initially selected. All of these provisions may materially and adversely affect the market value, liquidity or return on Notes indexed to or referencing a benchmark.

The existing provisions of the Benchmarks Regulation were amended in particular by Regulation (EU) 2021/168 of the European Parliament and of the Council of 10 February 2021, which introduced a harmonised approach towards the cessation of certain benchmarks, giving the European Commission the power to set replacement indices through regulation, with this replacement limited to contracts and financial instruments. These provisions could affect Notes with interest rates calculated by reference to the EURIBOR, the SARON or a CMS Rate in the event that fallback provisions set out in the Terms and Conditions of the Notes are considered unsatisfactory (Article 23 *ter* of the Benchmarks Regulation as amended by Regulation (EU) 2021/168 of the European Parliament and Council on 10 February 2021). Nevertheless, there are still uncertainties about the exact procedures for applying these provisions pending implementation decisions from the European Commission.

In addition, the Benchmarks Regulation has been further amended; with effect from 1 January 2026. One of the key changes to the regime is that only benchmarks defined as critical or significant (determined based on quantitative or qualitative criteria), EU Paris-aligned benchmarks, EU Climate Transition benchmarks, certain commodity benchmarks, as well as some other specifically designated benchmarks remain in scope of the mandatory application of the Benchmarks Regulation. An exemption applies to certain foreign exchange benchmarks. Other benchmarks have been removed from the mandatory scope of the Benchmarks Regulation (other than certain limited provisions in relation to statutory replacement of a Benchmark, connected with cessation and/or non-representativeness).

Although the revised regime introduces a number of changes primarily to the scope of the Benchmarks Regulation regime, benchmarks falling within the revised regime are exposed to risks similar to those applicable to benchmarks under the previous regime. Benchmarks that fall out of scope of the regime are no longer regulated in the same way from 1 January 2026. Among other things, there is a risk that this could mean that the methodology of such benchmarks may be less robust, resilient or transparent (may potentially be subject to material changes without prior consultation). Such provisions could have a material adverse effect on the value or liquidity of, and return on, certain Notes issued under the Programme linked to or referencing such benchmarks.

B. Fixed Rate Notes

In accordance with Condition 5.2 ("*Interest on Fixed Rate Notes*") Notes may be Fixed Rate Notes. It cannot be ruled out that the market value of Fixed Rate Notes may be adversely affected by inflation or future fluctuations in interest rates. The price at which a Noteholder may wish to sell his Notes before the Maturity Date may be lower, and substantially so, than the issue price or the purchase price paid by that Noteholder, depending on changes in interest rates. Although it is difficult to anticipate

changes in interest rates, they could have a significant negative impact on the market value of the Notes and result in the loss of part of the Noteholders' investment if they wish to sell their Notes.

C. Floating Rate Notes

In accordance with Condition 5.3 ("*Interest on Floating Rate Notes*") Notes may be Floating Rate Notes. A key difference between Floating Rate Notes and Fixed Rate Notes is that interest payments on Floating Rate Notes cannot be predicted. Due to fluctuations in interest payments, investors cannot determine the actual yield on the Floating Rate Notes at the time of purchase, and therefore their investment returns cannot be compared to investments with longer fixed interest periods. If the Terms and Conditions of the Notes specify frequent Interest Payment Dates, Noteholders are exposed to reinvestment risk if market interest rates fall. In such case, Noteholders will only be able to reinvest their interest income at a potentially lower prevailing interest rate.

Accordingly, the market value of Floating Rate Notes may be volatile if changes, in particular short term changes, on the interest rate market applicable to the relevant rate cannot be applied to the interest rate of such Notes until the next periodic adjustment of the relevant rate. Whilst interest rate volatility is difficult to predict, it could have a significant negative impact on the market value of Floating Rate Notes and result in losses for Noteholders in the event of sale.

D. Zero Coupon Notes and other Notes issued below par or with an issue premium

In accordance with Condition 5.5 ("*Zero Coupon Notes*") the Notes may be Zero Coupon Notes. The market value of Zero Coupon Notes and other securities issued below par or with an issue premium tends to be more sensitive to fluctuations in interest rates than typical interest-bearing securities. Generally, the further in the future the Maturity Date of the Notes, the more the price volatility of such Notes resembles that of typical interest-bearing securities of similar maturity. Whilst such volatility is difficult to predict, it could have a significant negative impact on the market value of the Notes and result in losses for Noteholders in the event of sale.

E. Fixed/Floating Rate Notes

In accordance with Condition 5.4 ("*Fixed/Floating Rate Notes*") the Notes may be Fixed/Floating Rate Notes. Fixed/Floating Rate Notes may bear interest at a fixed rate that the Issuer can choose to convert into a floating rate, or at a floating rate that the Issuer can choose to convert into a fixed rate at the date specified in the relevant Final Terms, or at a rate that can be automatically converted at the date specified in the relevant Final Terms. The ability of conversion offered to the Issuer may affect the secondary market and the market value of the Notes as the Issuer can choose to convert the rate when it leads to a reduction of its overall borrowing cost. If the Issuer converts a fixed rate into a floating rate, the new floating rate may less than the initial fixed rate, and conversely, if the Issuer converts a floating rate into a fixed rate, the fixed rate may be lower than the initial variable rate. Whilst interest rate volatility is difficult to predict, it could have a significant negative impact on the market value of Fixed/Floating Rate Notes and result in losses for Noteholders wishing to reinvest their income. Noteholders may also be affected by the risks specific to Fixed Rate Notes and Floating Rate Notes referred to above.

F. The occurrence of a Benchmark Event could have a material adverse effect on the market value of and return on any Notes linked to or referencing such Benchmark

The Terms and Conditions of Floating Rate Notes whose rate is determined by reference to a Screen Page (see Condition 5.3 "*Interest on Floating Rate Notes*") provide for certain fallback arrangements should certain events occur relating to (i) a benchmark within the scope of the Benchmarks Regulation, such as an interbank rate (like EURIBOR), the CMS Rate and SARON, or (ii) a "risk-free rate" such as €STR, SONIA, TONA or SOFR outside the scope of the Benchmarks Regulation, particularly if the benchmark is no longer available, or in the event that the Issuer, the Calculation Agent, any Paying Agent or any other party responsible for calculating the Interest Rate (as set out in the relevant Final Terms) is no longer legally authorised to calculate the interest on the Notes by referring to such a benchmark or by any other means. Such fallback arrangements include the possibility that the rate of

interest could be set by reference to a replacement benchmark that might have only a very limited track record, with or without the application of an adjustment spread (which could be positive or negative, and would be applied with a view to reducing or eliminating, to the fullest extent practicable in the circumstances, any economic prejudice or benefit (as applicable), to investors arising from replacing the relevant benchmark), and may include amendments to the Terms and Conditions of the Notes to ensure the proper operation of the replacement benchmark, without the consent of the Noteholders.

In certain circumstances, including where no replacement benchmark is determined, or where, due to the uncertainty concerning the availability of the replacement benchmark, the relevant fallback provisions may not operate as intended, in all such cases, the interest rate may then be calculated based on the benchmark values observed during previous interest periods. The Notes could therefore become Fixed Rate Notes without the return that Noteholders may have expected when they initially subscribed to Floating Rate Notes.

More generally, the occurrence of any event described above could have a material adverse effect on the market value of and return on any such Notes.

Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or could have an adverse effect on the market value or liquidity of, and the amount payable under, the Floating Rate Notes. A replacement benchmark may be subject to adjustment. Such adjustments could have unexpected commercial consequences and given the particular circumstances of each Noteholder, such adjustments may not be favourable to each and every Noteholder.

The occurrence of an event relating to a benchmark could result in the loss of part of the capital invested in the relevant Floating Rate Notes.

b) Risks relating to the early redemption of Notes

A. Risks relating to early redemption by the Issuer

If, at the time of redemption of any amount of principal or payment of any amount of interest, the Issuer is obliged to pay Additional Amounts in accordance with Condition 8.2 ("*Additional Amounts*") or it becomes unlawful for the Issuer to fulfil or comply with its obligations under the Notes, it may then, in accordance with Condition 6.6 ("*Redemption for tax reasons*") or Condition 6.9 ("*Illegality*"), as the case may be, redeem the Notes in full at the Early Redemption Amount together with, unless specified otherwise in the relevant Final Terms, all interest accrued until the relevant redemption date.

Furthermore, the Final Terms for an issue of Notes may provide for an optional early redemption by the Issuer in accordance with Condition 6.3 ("*Redemption at the option of the Issuer*"). In such case, it is probable that the Issuer will elect to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes.

Following an early redemption, an investor may not be able to reinvest the proceeds of redemption at an effective interest rate as high as the interest rate on the redeemed Notes. The yield on the Notes at the time of redemption following the exercise by the Issuer of its option may also be lower than expected and the value of the amount redeemed on the Notes may be less than the purchase price of the Notes paid by the Noteholder, resulting in a loss of the capital invested.

Furthermore, if the Issuer exercises its early redemption option for certain Notes only, this may affect the liquidity of Notes of the same Series in respect of which the option was not exercised. Depending on the number of Notes of a single Series in respect of which the early redemption option specified in the relevant Final Terms was exercised, the market for the Notes in respect of which such early redemption option was not exercised may become illiquid, which could have a material adverse impact on the value of the Notes.

B. Risks relating to optional redemption by Noteholders

The exercise of a redemption option by Noteholders, where specified in the relevant Final Terms in accordance with Condition 6.4 ("*Redemption at the option of the Noteholders*"), for certain Notes may affect the liquidity of Notes of the same Series for which this option was not exercised. Depending on the number of Notes of a single Series in respect of which the early redemption option specified in the relevant Final Terms was exercised, the market for the Notes in respect of which such early redemption option was not exercised may become illiquid. Furthermore, investors requesting the redemption of their Notes may not be able to reinvest the proceeds of such early redemption at a rate of return equivalent to that of the redeemed Notes.

c) Risk relating to Sustainable Bonds

The Final Terms for a particular Tranche of Notes may specify that the Issuer intends to use an amount equivalent to the net proceeds of issue of the relevant Notes (**Sustainable Bonds**) in connection with eligible expenditure of Members falling within the green and/or social Eligible Categories relating in particular to the energy and ecological transition, pollution prevention and control, access to water, low-carbon public transport, access to essential and basic social services (education, healthcare, affordable housing, social inclusion, employment), energy and ecological transition, sustainable infrastructure and the development of municipalities and territorial cohesion (as such Eligible Categories are defined in the "Use of Proceeds" section of this Base Prospectus). The Issuer's Scheme (as defined in the "Use of Proceeds" section) is the subject of a second party opinion by EthiFinance, which considers it to be aligned with the principles applicable to green, social and sustainable bonds as defined in the ICMA Green Bond Principles (2025) Social Bond Principles (2025) and Sustainability Bond Guidelines (2021). For further information on the ICMA principles, please refer to the ICMA website at https://www.icmagroup.org[2].

The Issuer intends to use an amount equivalent to the net proceeds of issue of Sustainable Bonds in the manner described in the "Use of Proceeds" section of this Base Prospectus. However, the assets financed by the Sustainable Bonds may, for reasons outside the control of the Issuer, not be as anticipated at the time of the relevant Issue for the purpose of the Eligible Categories definition. Such an event would not constitute an Event of Default under the Notes.

The occurrence of such an event or the withdrawal of the EthiFinance opinion or any other opinion or certification that may be issued, could significantly affect the market value of the Sustainable Bonds or have a material negative impact on Noteholders holding Sustainable Bonds based on criteria specific to them.

The definition (legal, regulatory or other) of a "green", "social" project or equivalently labelled project, and the market consensus on defining a particular project as a "green", "social" or equivalently labelled project are currently under development. However, the Taxonomy Regulation establishes a single, EU-wide classification system, or "taxonomy", which provides companies and investors with a common language to identify which economic activities can be considered environmentally sustainable. The Taxonomy Regulation does not directly apply to Sustainable Bonds but may influence investor and market expectations and preferences regarding the definition and classification of "green" projects. The Taxonomy Regulation may also be subject to further development and refinement, which may result in changes to the technical screening criteria or the inclusion or exclusion of certain economic activities under the Taxonomy. The concept of eligible expenditure falling within the Eligible Categories within the meaning of the Scheme (as defined in the "*Use of proceeds*" section of the Base Prospectus) differs from the concept of eligible activity as defined in the Taxonomy Regulation. The use in the Scheme of eligible expenditures falling within the Eligible Categories does not imply any systematic correspondence between eligible expenditures falling within the Eligible Categories and the eligible activities defined by the Taxonomy Regulation. The Scheme does not

[2] The information appearing on the ICMA website does not form part of this Base Prospectus, unless incorporated by reference herein in accordance with Article 19 of the Prospectus Regulation.

establish a direct correspondence with the criteria of the Taxonomy Regulation. However, the Scheme provides for the possibility of including additional activities that would meet the substantial contribution criteria set out in the delegated acts of the Taxonomy Regulation, in particular on the basis of the "green budgets" published by the Member Local Authorities. For the avoidance of doubt, the Group does not undertake either (i) to align its Sustainable Bonds with the requirements of the Taxonomy Regulation and, in particular, no assessment of compliance with the "do no significant harm" principle is carried out systematically under the Scheme, or (ii) to meet the substantial contribution criteria of the Taxonomy Regulation on a systematic basis.

There is currently no equivalent classification system or regulation at European Union level for social or sustainable projects, and the definition and classification of such projects may depend on various voluntary or national frameworks, guidelines or principles, which may differ or evolve over time. Consequently, the Sustainable Bonds may not meet future legislative, regulatory or market standards or expectations for green and/or social projects, which could affect the perception and valuation of the Sustainable Bonds by investors and the market.

GLOSSARY

Capitalised terms used in this Base Prospectus will have the meaning set out below.

ACPR	means the French Prudential Supervisory Authority (Autorité de Contrôle Prudentiel et de Résolution)
Actual Adjusted ICC	means the initial capital contribution of Members which have expressly opted for adjusted ICC calculation terms, as calculated at the end of the reference calendar year nominated by the Member as the basis for calculating the actual ICC that it must pay
Actual Debt	means the total indebtedness actually assumed by a Local Authority which has expressly opted to benefit from adjusted ICC calculation terms, in respect of the reference calendar year that it has nominated for the purpose of calculating its ICC
Actual Operating Revenue	means the total amount of actual operating revenue entered in the management account of a Local Authority which has expressly opted to benefit from adjusted ICC calculation terms, in respect of the reference calendar year that it has nominated for the purpose of calculating its ICC
Adjusted ICC	means the initial capital contribution of Members which have expressly opted for adjusted ICC calculation terms
AFEP	means the French Association of Private Companies (Association Française des Entreprises Privées)
Agence France Locale Group or AFL Group	means the group comprised of the Issuer and ST
Beneficiaries	mean the holders of any debt securities issued or contracting parties to any of the deeds entered into by the Issuer stipulating that such instruments and/or deeds are covered by the ST Guarantee and the Member Guarantees
CGCT	means the French Local Authority Code (Code général des collectivités territoriales)
Code AFEP-MEDEF	means the corporate governance code of the Association Française des Entreprises Privées (French Association of Private Companies - AFEP) and the Mouvement des Entreprises de France (French Business Confederation - MEDEF), as amended in December 2022.
CRA Regulation	means Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended.
CRC	means the regional accounting offices (chambres régionales des comptes) established by French law no. 82-213 of 2 March 1982
CTC	means the Local Authority of Corsica established under French law no. 82-214 of 2 March 1982 on the special status of the Corsican region
DGF	means the global operating grant (dotation globale de fonctionnement)

ECB	means the European Central Bank
EIB	means the European Investment Bank
Engagement and Proximity Law	means the law no. 2019-1461 dated 27 December 2019 on engagement in local life and proximity of public action.
EPCI with tax raising powers	means public inter-communal cooperative institutions (établissements publics de coopération intercommunale à fiscalité propre)
EPL	means local public institutions (établissements publics locaux)
EPT	means public territorial institutions (établissements publics territoriaux)
French law of 12 July 1999	means law no.°99-586 of 12 July 1999 on the strengthening and simplification of inter-municipal cooperation
French law of 13 August 2004	means law no.°2004-809 of 13 August 2004 on the local liberties and responsibilities
French law of 26 July 2013	means law no.°2013-672 of 26 July 2013 on the separation and regulation of banking activities
Initial Capital Contribution (ICC)	means the Members' initial capital contribution to ST
Issuer or Agence France Locale or AFL	means Agence France Locale
Liquidity Facility	means any loan granted by the Issuer to a Member for an initial term of fewer than or equal to 364 days
Local Authority	means the local authorities, their groupings and the local public institutions
MAPTAM Law	means law no. 2014-58 of 27 January 2014 on the modernisation of the territorial public action and affirmation of metropolitan areas
MEDEF	means the French Business Confederation (Mouvement des Entreprises de France)
Medium-Long Term Loan	means any loan granted by the Issuer to a Member for an initial term greater than 364 days
Member Guarantees	means the guarantee granted autonomously by each of the Members having subscribed for a Medium-Long Term Loan with the Issuer
Members	means the Local Authorities that have completed the membership process and accordingly have become shareholders of ST
NOTRe Law	Means law no. 2015-991 of 7 August 2015 relating to a new territorial organisation of the Republic
Operating revenues	mean the total actual operating revenues recognised in the management account of the Local Authority applying for membership, with respect to the third-to-last

	year preceding the date on which decision on the Local Authority's membership becomes enforceable unless such Local Authority has not closed out a minimum of two financial years as of the date thereof
Provisional Adjusted ICC	means the initial capital contribution of Members which have expressly opted for adjusted ICC calculation terms, as calculated on the date of accession of the Member
Reference Total Debt	means the total indebtedness assumed by a Local Authority which has expressly opted to benefit from adjusted ICC calculation terms, in respect of the calendar year preceding its accession or the total indebtedness that it plans to assume (i) in respect of the calendar year in which it applies for accession or (ii) in respect of the calendar year following that in which it applied for accession
Shareholders' Agreement	means the shareholders' agreement of the Agence France Locale Group, signed on 24 June 2014 among the Issuer, ST and the Members, as amended by supplemental agreements dated 31 March 2016 and 28 June 2018, as amended from time to time.
Sleeping Member	means any Member to whom this status has been attributed in accordance with the provisions of the Shareholders' Agreement and, in particular, is no longer eligible to benefit from the financial services offered by the Agence France Locale Group or from any new loans granted by the Issuer. Under the Shareholders' Agreement, Sleeping Member means any Member to whom this status has been attributed as a result of (i) failure to pay the ICC in accordance with the terms and timetable set out in the articles of association of ST, (ii) a transfer of powers between one Local Authority and another, where the Local Authority to which the power(s) were transferred does not or cannot become a member of ST, (iii) a transfer of ST shares by a full Member to a third party which the Board of Directors has not recognised as a Member, (iv) a breach of the Shareholders' Agreement, the Member Guarantee or the articles of association of the Guarantor or of the Issuer, as the case may be, or (v) failure to approve all proposed amendments to the Shareholders' Agreement.
ST Guarantee	means the guarantee granted by ST
ST, AFL-ST or Société Territoriale	means the parent company of the Issuer, Agence France Locale – Société Territoriale
Syndicats	means the syndicats de communes and the syndicats mixtes
Total debt	means total outstanding loans recognised in management account of the Local Authority applying for membership, with respect to the third-to-last year preceding the date on which the decision on the Local Authority's membership becomes enforceable, unless such Local Authority has not closed out a minimum of two financial years as of the date thereof

CONDITIONS RELATING TO THE ISSUER'S CONSENT TO USE OF THE PROSPECTUS

Within any offer of Notes in France or Luxembourg which is not exempt from the obligation to publish a prospectus pursuant to Article 1, Paragraph 4 of the Prospectus Regulation (a **Non-Exempt Offer**), the Issuer consents to the use of the Base Prospectus (as amended, where applicable, by any supplement) and the Final Terms (together, the **Prospectus**) in connection with a Non-Exempt Offer of any Note during the offer period (the **Offer Period**), in France or in Luxembourg, as will be specified in the relevant Final Terms:

(1) subject to the provisions specified in the relevant Final Terms, by any financial intermediary authorised to make such offers pursuant to MiFID II; or

(2) if specified in the relevant Final Terms, by any financial intermediary satisfying the following conditions: (a) it acts in accordance with all applicable laws, rules, regulations and guidance of any competent authority (the **Rules**), including in particular and in each case, the Rules relating both to the opportunity or suitability of any investment in the Notes by any person and disclosure to any prospective investor; (b) it complies with the restrictions set out in section "Subscription and Sale" of this Base Prospectus which apply as if it were a Dealer and takes into consideration the assessment of the relevant target market carried out by the manufacturer and the distribution channels identified in the paragraph "*MiFID II Product Governance*" of the relevant Final Terms; (c) it ensures that all costs (and all commissions or benefits of any kind) received or paid by this financial intermediary due to the offer or sale of the Notes are fully and clearly disclosed to investors or prospective investors; (d) in accordance with the Rules, it holds all licences, authorisations, approvals and permits necessary to the solicitation, offer or sale of the Notes; (e) it holds investor identification files for at least the minimum period required by the applicable Rules and shall, upon request, provide the relevant Dealer(s), the Issuer and the Guarantors with those files, or directly make them available to the competent authorities to which the Issuer and/or the Guarantors and/or the relevant Dealer(s) report in order to allow the Issuer and/or the Guarantors and/or the relevant Dealer(s) to comply with anti-money laundering, anti-bribery and "know your customer" Rules applicable to the Issuer and/or the Guarantors and/or the relevant Dealer(s); (f) its intervention does not lead to the breach, directly or indirectly, of any Rules by the Issuer or the Guarantors or the relevant Dealer(s) or does no place the Issuer or the Guarantors or the Dealer(s) under the obligation to make a deposit, obtain an authorisation or an approval in any jurisdiction; and (g) its intervention satisfies any other condition specified in the relevant Final Terms (in each case, an **Authorised Institution**). In order to avoid any doubt, neither the Dealer(s) nor the Issuer nor the Guarantors shall have the obligation to check that an Authorised Institution will act in compliance with all applicable laws, regulations and/or recommendation and, consequently, neither the Dealer(s) nor the Issuer nor the Guarantors shall be held liable on that ground.

If specified in the relevant Final Terms, the Issuer accepts responsibility, in France or in Luxembourg, for the content of the Prospectus vis-à-vis any person (an **Investor**) located in France or in Luxembourg to whom an offer of Notes is made by any Authorised Institution and when the offer is made, during the Offer Period for which the consent was given. However, neither the Issuer nor any Dealer nor any Guarantors is liable for acts committed by any Authorised Institution, including concerning of its compliance with the rules of business behaviour applicable to the Authorised Institution or of other local regulatory obligations or of other legal obligations relating to financial instruments related to such an offer, applicable to the Authorised Institution.

The consent referred to above relates to Offer Periods, if any, ending no later than 12 months from the date on which the AMF's approval on the Base Prospectus has been obtained.

If the Final Terms appoint one or more financial intermediaries to which the Issuer has given its consent for use of the Prospectus during the Offer Period, the Issuer may also give its consent to additional Authorised Institutions after the date of the relevant Final Terms and, if so, will publish any new information relating to such Authorised Institutions which are not known at the date of approval of this Base Prospectus or of publication of the relevant Final Terms on its website (https://www.agence-france-locale.fr/).

If the Final Terms specify that any Financial Intermediary may use the Prospectus during the Offer Period, each relevant Authorised Institution shall publish, during the Offer Period, on its website, information specifying that it uses the Prospectus for the relevant Non-Exempt Offer with the authorisation of the Issuer and in compliance with the conditions set forth therein.

Other than as set out above, neither the Issuer nor any of the Guarantors nor any of the Dealers authorises any Non-Exempt Offer by any person in any case, such a person is not authorised to use the Prospectus in connection with the offer of any Note. Those offers are not made for the account of the Issuer or of any of the Guarantors or of any of the Dealers or of any of the Authorised Institutions and neither the Issuer nor any of the Guarantors nor any of the Dealers nor any of the Authorised Institutions can be held liable for the actions of any person making such offers.

An Investor intending to acquire or acquiring Notes from an Authorised Institution shall do so, and the offers and sales of the Notes by an Authorised Institution to an investor shall be made, in accordance with any terms and other agreements between the Authorised Institution and the relevant Investor, including as to price, allocation, agreements on settlement/delivery arrangements and any expense or tax charged to the Investor (the **Terms of the Non-Exempt Offer**). **The Issuer and the Guarantors shall not take part to such agreements with Investors (others than the Dealers) in connection with the offer or sale of the Notes and, consequently, this Base Prospectus and Final Terms shall not bear such information. The Terms of the Non-Exempt Offer shall be disclosed to Investors by the Authorised Institution at the moment of the Non-Exempt Offer. Neither the Issuer nor any of the Guarantors nor any Dealer or Authorised Institution shall be held liable for this information nor for the consequences of the use of such information by relevant Investors.**

SUPPLEMENT TO THE BASE PROSPECTUS

Any new material fact or any error or inaccuracy concerning the information contained in the Base Prospectus, which may have a substantial impact on any assessment of the Notes and which arises or is noted between the date of approval of this Base Prospectus by the AMF and the commencement of trading in the Notes on a Regulated Market, shall be mentioned without undue delay in a supplement to the Base Prospectus, in accordance with Article 23 paragraph 1 of the Prospectus Regulation. The Issuer undertakes to submit this supplement to the Base Prospectus to the AMF for approval.

In accordance with Article 23, Paragraph 2a of the Prospectus Regulation, where the Notes are offered to the public, investors who have already agreed to purchase or subscribe to the Notes before a supplement is published have the right to withdraw their acceptance for three business days after publication of the supplement, provided that the material new fact or substantial error or inaccuracy referred to in Article 23 Paragraph 1 of the Prospectus Regulation occurred or was noted before the closing of the offer or the delivery of the Notes, if earlier. This period may be extended by the Issuer or, any Authorized Institution. The date on which the right of withdrawal ends is specified in the supplement. On 22 July 2027, this Base Prospectus (as updated by supplements, as applicable) will no longer be valid and the requirement to complete it with a supplement in the event of material new facts or substantial errors or inaccuracies will cease to apply.

Any supplement to the Base Prospectus shall be published on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (https://www.agence-france-locale.fr/).

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus must be read and construed in conjunction with the sections, mentioned in the table below, which are included in the following documents which have been previously published and filed with the AMF. These sections are incorporated by reference in, and shall be deemed to form part of, this Base Prospectus:

- the sections, mentioned in the table below, of the Issuer's annual report as at 31 December 2025 containing the consolidated financial statements as at 31 December 2025 (prepared in accordance with IFRS) including the Issuer's auditors' report on the aforementioned annual financial statements (the **Issuer's 2025 IFRS Consolidated Annual Financial Statements**);

  https://www.agence-france-locale.fr/app/uploads/2026/03/vdef-afl-rapport-gestion-2025.pdf

- the sections, mentioned in the table below, of the Issuer's annual report as at 31 December 2025 containing the financial statements as at 31 December 2025 (prepared in accordance with French GAAP) including the Issuer's auditors' report on the aforementioned annual financial statements (the **Issuer's 2025 French GAAP Annual Financial Statements**);

  https://www.agence-france-locale.fr/app/uploads/2026/03/vdef-afl-rapport-gestion-2025.pdf

- the sections, mentioned in the table below, of the consolidated financial statements for ST respectively as at 31 December 2025 including ST's auditors' report on the said consolidated financial statements (the **ST's 2025 Consolidated Financial Statements**);

  https://www.agence-france-locale.fr/app/uploads/2026/03/vdef-afl-st-rapport-gestion-2025.pdf

- the terms and conditions of the Notes in pages 81 to 117 of the base prospectus which received the AMF visa no. 17-170 dated 21 April 2017 (the **2017 Condition**);

  http://www.agence-france-locale.fr/sites/afl/files/base_documentaire/2017-04/PA-%2318951606-v1-AFL_-_Prospectus_de_Base_-_Mise_%C3%A0_jour_2017_%28avec_visa%29.pdf

- the terms and conditions of the Notes in pages 82 to 118 of the base prospectus which received the AMF visa no. 18-176 dated 15 May 2018 (the **2018 Conditions**);

  http://www.agence-france-locale.fr/sites/afl/files/base_documentaire/2018-05/PA-%2321084604-v1-AFL_-_Update_2018_-_Prospectus_de_Base_%28avec_visa%29.pdf

- the terms and conditions of the Notes in pages 88 to 130 of the base prospectus which received the AMF visa no. 19-196 dated 13 May 2019 (the **2019 Conditions**);

  http://www.agence-france-locale.fr/sites/afl/files/base_documentaire/2019-05/PA-%2322936878-v1-AFL_-_Update_2019_-_Prospectus_de_Base_%28Version_finale_a....pdf

- the terms and conditions of the Notes in pages 52 to 111 of the base prospectus which received the AMF visa no. 20-244 dated 9 June 2020 (the **2020 Conditions**);

  http://www.agence-france-locale.fr/sites/afl/files/base_documentaire/2020-06/AFL%20EMTN%20-%20Prospectus%20de%20Base%20-%20Mise%20%C3%A0%20Jour%202020_0.pdf

- the terms and conditions of the Notes in pages 56 to 127 of the base prospectus which received the AMF visa n°21-212 dated 8 June 2021 (the **2021 Conditions**);

  http://www.agence-france-locale.fr/sites/afl/files/base_documentaire/2021-06/AFL%20EMTN%20-%20Prospectus%20de%20Base%20-%20Mise%20%C3%A0%20Jour%202021.pdf

- the terms and conditions of the Notes in pages 58 to 133 of the base prospectus which received the AMF visa n°22-241 dated 23 June 2022 (the **2022 Conditions**);

  https://www.agence-france-locale.fr/app/uploads/2023/01/prospectus-emtn-2022.pdf

- the terms and conditions of the Notes in pages 58 to 136 of the base prospectus which received the AMF visa n°23-217 dated 14 June 2023 (the **2023 Conditions**); and

  https://www.agence-france-locale.fr/app/uploads/2023/06/prospectus-de-base-2023-06-14.pdf

- the terms and conditions of the Notes in pages 52 to 116 of the base prospectus which received the AMF visa n°24-324 dated 17 July 2024 (the **2024 Conditions**);

  https://www.agence-france-locale.fr/app/uploads/2024/07/afl-emtn-prospectus-de-base-mise-a-jour-2024-final-fr.pdf

- the terms and conditions of the Notes in pages 51 to 115 of the base prospectus which received the AMF visa n°25-236 dated 25 June 2025 (the **2025 Conditions**);

  https://www.agence-france-locale.fr/app/uploads/2025/06/afl-emtn-2025-prospectus-de-base-fr.pdf

The 2017 Conditions, the 2018 Conditions, the 2019 Conditions, the 2020 Conditions, the 2021 Conditions, the 2022 Conditions, the 2023 Conditions, the 2024 Conditions and the 2025 Conditions are incorporated by reference only for the issuance of Fungible Notes, which form a single Series with the Notes already issued under the 2017 Conditions, the 2018 Conditions, the 2019 Conditions, the 2020 Conditions, the 2021 Conditions, the 2022 Conditions, the 2023 Conditions, the 2024 Conditions and the 2025 Conditions. The other parts of the relevant base prospectus are not incorporated by reference.

Cross reference list

In accordance with the public statement entitled "*Prospectus Requirements in the Period Prior to the Amendments to the Delegated Regulation*", published by the European Securities and Markets Authority (ESMA) on 7 May 2026, this cross-reference table has been prepared on the basis of the version of Annex 7 set out in the draft delegated act adopted by the European Commission on 7 May 2026, which has not yet officially entered into force as at the date of this Base Prospectus.

Information incorporated by reference **(Annex 7 of Delegated Regulation (EU) 2019/980, as amended)**	**Reference**
5.1 FINANCIAL INFORMATION CONCERNING THE ISSUER	
	Issuer's 2025 French GAAP Annual Financial Statements/ **Issuer's 2025 IFRS Consolidated Annual Financial Statements**
5.1.1 Provide the audited historical financial information for the last financial year (or for any shorter period during which the issuer had business operations) and the audit report drawn up for this financial year.	Pages 183 to 208 and 209 to 250
5.1.2 Change of accounting reference date Where the issuer changes its accounting reference date during the period for which the historical financial information is required, the audited historical financial information must cover a minimum period of 12 months, or the issuer's business period if shorter.	Not Applicable
5.1.3(a) Accounting standards (addressed to retail investors) The financial information are drawn up in accordance with international financial reporting standards as adopted in the European Union in accordance with Regulation (EC) no 1606/2002. Where Regulation (EC) no 1606/2002 is not applicable, the financial information must be drawn up in accordance with: (a) the national accounting standards of a member State for EEA issuers, as provided by directive 2013/34/EU; or (b) the national accounting standards of an equivalent third-party country to Regulation (EC) no 1606/2002 for third-party country	Pages 188 to 192 and 218 to 224

issuers. Where the national accounting standards of the third-party country are not equivalent to Regulation (EC) no 1606/2002, the financial statements must be restated in accordance with the said regulation.	
5.1.4 The audited financial information prepared in accordance with national accounting standards includes: a) Balance sheet b) Income statement c) Accounting methods and explanatory notes	 Page 183 Page 184 Pages 186 à 202
5.1.5 Consolidated financial statements Where the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document.	Page 209 to 244
5.1.6 Date of latest financial information The balance sheet date of the last financial year for which the financial information was audited may not be later than 18 months before the date of the registration document.	Pages 183 to 209
5.1.7 Interim financial information and other (Addressed to retail investors)	Not Applicable
5.2 Audit of the annual historical financial information	
5.2.1 An independent audit is performed on the annual historical financial information. The audit is prepared in accordance with directive 2006/43/EC and Regulation (EU) no 537/2014. Where directive 2006/43/EC and Regulation (EU) no 537/2014 do not apply, the historical financial information is audited or there must be a statement indicating whether, for the purposes of the registration document, the information accurately reflects the real Issuer's position, in accordance with the audit standards applicable in a member State or an equivalent standard. In addition, the registration document must contain the following information: (a) a prominent statement indicating the auditing standards applied;	Pages 203 to 208 and 245 to 250

(b) an explanation of any material deviation from international auditing standards.	
5.2.1.a Where audit reports on historical financial information have been refused by the statutory auditors or contain reservations, changes of opinion, limitations of liability or observations, the reason must be provided and such qualifications, changes, limitations or observations are fully reproduced.	Not Applicable
5.2.2 Indicate the information contained in the registration document that has been audited by statutory auditors.	Not Applicable
5.2.3 Where the financial information in the registration document was not obtained from the Issuer's audited financial statements, indicate the source of the data and state whether or not the information has been audited.	Not Applicable

5.1 FINANCIAL INFORMATION CONCERNING THE ST	
	ST's 2025 IFRS Consolidated Financial Statements
5.1.1 Provide the audited historical financial information for the last financial year (or for any shorter period during which the issuer had business operations) and the audit report drawn up for this financial year.	Pages 184 to 226
5.1.2 Change of accounting reference date Where the issuer changes its accounting reference date during the period for which the historical financial information is required, the audited historical financial information must cover a minimum period of 12 months, or the issuer's business period if shorter.	Not Applicable
5.1.3(a) Accounting standards (Addressed to retail investors) The financial information are drawn up in accordance with international financial reporting standards as adopted in the European Union in accordance with Regulation (EC) no 1606/2002. Where Regulation (EC) no 1606/2002 is not applicable, the financial information must be drawn up in accordance with: (a) the national accounting standards of a member State for EEA issuers, as provided by directive 2013/34/EU; or (b) the national accounting standards of an equivalent third-party country to Regulation (EC) no 1606/2002 for third-party country issuers. Where the national accounting standards of the third-party country are not equivalent to Regulation (EC) no 1606/2002, the financial statements must be restated in accordance with the said regulation.	Pages 184 to 220
5.1.4 The audited financial information prepared in accordance with national accounting standards includes:	
a) Balance sheet	Not Applicable
b) Income statement	Not Applicable
c) Accounting methods and explanatory notes	Not Applicable

5.1.5 Consolidated financial statements Where the Issuer draws up its annual financial statements on an individual basis as well as on a consolidated basis, include at least the consolidated annual financial statements in the registration document.	Pages 184 to 220
5.1.6 Date of latest financial information The balance sheet date of the last financial year for which the financial information was audited may not be later than 18 months before the date of the registration document.	Page 184
5.1.7 Interim financial information and other (Addressed to retail investors)	Not Applicable
5.2 Audit of the annual historical financial information	
5.2.1 An independent audit is performed on the annual historical financial information. The audit is prepared in accordance with directive 2006/43/EC and Regulation (EU) no 537/2014. Where directive 2006/43/EC and Regulation (EU) no 537/2014 do not apply, the historical financial information is audited or there must be a statement indicating whether, for the purposes of the registration document, the information accurately reflects the real Issuer's position, in accordance with the audit standards applicable in a member State or an equivalent standard. In addition, the registration document must contain the following information: (a) a prominent statement indicating the auditing standards applied; (b) an explanation of any material deviation from international auditing standards.	Pages 221 to 226
5.2.1.a Where audit reports on historical financial information have been refused by the statutory auditors or contain reservations, changes of opinion, limitations of liability or observations, the reason must be provided for these qualifications, changes, limitations or observations which are fully reproduced.	Not Applicable

5.2.2 Indicate the information contained in the registration document that has been audited by statutory auditors.	Not Applicable
5.2.3 Where the financial information in the registration document was not obtained from the Issuer's audited financial statements, indicate the source of the data and state whether or not the information has been audited.	Not Applicable

Any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded by the contents of this Base Prospectus to the extent that a statement contained herein modifies or supersedes any such earlier statement. Any statement so modified or superseded shall not, except as so modified or superseded, be deemed to form part of this Base Prospectus.

The parts of the above-mentioned documents not incorporated by reference are either not relevant for investors or appear elsewhere in the Base Prospectus. The information on the Issuer's website is not included in this Base Prospectus, unless this information is incorporated by reference in the Base Prospectus.

Copies of all documents incorporated by reference in this Base Prospectus may be viewed on the websites of (i) the Issuer (https://www.agence-france-locale.fr/) and (ii) as regards the 2017 Conditions, the 2018 Conditions, the 2019 Conditions, the 2020 Conditions, the 2021 Conditions, the 2022 Conditions, the 2023 Conditions, the 2024 Conditions, and the 2025 Conditions, the AMF (www.amf-france.org).

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions which, as completed by the provisions of the relevant Final Terms, shall apply to the Notes (the **Terms**). In the case of Dematerialised Notes, the text of the Terms and Conditions of the Notes will not be endorsed on Physical Notes evidencing title thereto, but shall be constituted by the following text as completed by the provisions of the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these Terms together with the relevant provisions of the relevant Final Terms (in each case subject to simplification by the deletion of non-applicable provisions) or (ii) the complete text of the Terms, shall be endorsed on Physical Notes. All capitalised terms that are not defined in these Terms shall have the meanings given to them in the relevant Final Terms. References made in the Terms and Conditions of the Notes are to the Notes of a single Series and not to all Notes that may be issued under the Programme. The Notes constitute bonds (obligations) as defined under French law.*

The Notes are issued by Agence France Locale (the **Issuer**) in series (each a **Series**), on the same issue date or on different issue dates. Notes from a single Series shall be governed (except for the issue date, the issue price, and the amount of the first interest payment) by identical terms, Notes of each Series being fungible with one another. Each Series may be issued in tranches (each a **Tranche**), on the same issue date or on different issue dates. The Notes shall be issued under the Terms of this Base Prospectus as supplemented by the relevant Final Terms (the **Final Terms**) relating to the specific terms of each Tranche (including the Issue Date, the issue price, the amount of the first interest payment and the nominal amount of the Tranche).

A fiscal agency agreement (as amended and supplemented, the **Fiscal Agency Agreement**) relating to the Notes shall be signed no later than 22 July 2026 between the Issuer and BNP PARIBAS as fiscal agent and principal paying agent and the other agents appointed therein. The fiscal agent, the paying agent(s) and the calculation agent(s) in office (where relevant) are referred to below respectively as the **Fiscal Agent**, the **Paying Agent(s)** (such a term encompasses the Fiscal Agent) and the **Calculation Agent(s)**. Holders of interest coupons (the **Coupons**) relating to interest-bearing Materialised Notes and, if applicable to such Notes, talons for additional Coupons (the **Talons**) and holders of receipts relating to payments by instalment of the principal of Materialised Notes (the **Receipts**) where principal is redeemable by instalments are respectively referred to as the **Couponholders** and the **Receiptholders**.

Any reference below to **Conditions** refers to the numbered conditions below, unless the context requires otherwise.

1. FORM, DENOMINATION, TITLE, REDENOMINATION AND CONSOLIDATION

1.1 Form

Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**), as specified in the relevant Final Terms.

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

Dematerialised Notes (as defined in Articles L. 211-3 et seq. of the French Monetary and Financial Code) are issued, at the option of the Issuer, either in bearer form, inscribed in the books of Euroclear France (acting as central depositary) which shall credit the accounts of the Account Holders, or in registered form (*au nominatif*), and in the latter case, at the option of the relevant Noteholder, either in administered registered form (*au nominatif administré*), entered in the accounts of an Account Holder designated by the relevant Noteholder, or in pure registered form (*au nominatif pur*), entered in an account maintained by the Issuer or a registration agent (specified in the relevant Final Terms) acting on behalf of the Issuer (the **Registration Agent**).

Unless expressly excluded by the applicable Final Terms in accordance with Articles L. 228-2 of the French Code de Commerce, the Issuer may at any time request the central depositary to provide information enabling Noteholders to be identified, such as their name, company name, nationality, date of birth or year of incorporation and address or, as the case may be, e-mail address of holders of Dematerialised Notes in bearer form.

In these Terms, **Account Holder** means any intermediary authorised to hold securities accounts, directly or indirectly, with Euroclear France and includes Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, S.A. (**Clearstream**).

(b) Materialised Notes are issued in bearer form only. Materialised Notes represented by physical notes (**Physical Notes**) are numbered in series and issued with Coupons (and, if applicable, with a **Talon**) attached, except in the case of Zero Coupon Notes to which references to interest (except in relation to interest due after the Maturity Date), Coupons and Talons in these Terms shall not apply. **Instalment Notes** are issued with one or more Receipts attached.

In accordance with articles L.211-3 et seq. of the French Code monétaire et financier, securities (such as Notes constituting obligations under French law) issued on French territory and governed by French law may only be issued in dematerialised form. Consequently, securities in materialised form and governed by French law may only be issued outside France.

The Notes may be **Fixed Rate Notes**, **Floating Rate Notes**, **Fixed/Floating Rate Notes**, **Instalment Notes** and **Zero Coupon Notes**.

1.2 Denomination

Notes shall be issued in the specified denomination(s) specified in the relevant Final Terms (the **Specified Denomination(s)**). Dematerialised Notes must be issued in one single Specified Denomination.

1.3 Title

(a) Title to Dematerialised Notes in bearer form (au porteur) and in administered registered form (au nominatif administré) passes, and such Notes may only be transferred, by registration of the transfer in the accounts of the Account Holders. Title to Dematerialised Notes in pure registered form (au nominatif pur) passes, and such Notes may only be transferred, by registration of the transfer in the accounts held by the Issuer or the Registration Agent.

(b) Title to Physical Notes with, if applicable, Coupons, Receipts and/or a Talon attached at issue, is transferred by delivery.

(c) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below), Coupon, Receipt or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or any right over or interest in such Note, Coupon, Receipt or Talon, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

In these Terms, **Noteholder** or, as the case may be, **holder of a Note** means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder, the Issuer or the Registration Agent (as applicable) as being entitled to such Notes, and (ii) in the case of Physical Notes, the bearer of any Physical Note and the Coupons, Receipts or Talons attached to them.

Capitalised terms shall have the meanings given to them in the relevant Final Terms. Where no definition is given, such term does not apply to the Notes.

1.4 Redenomination

The Issuer may (if so specified in the relevant Final Terms), without the consent of the holder of any Note, Coupon or Talon, by giving notice in accordance with Condition 14 at least 30 calendar days in advance, redenominate in euro all (and not only some) of the Notes of each Series, as from the date on which (i) the Member State of the European Union (the **EU**) in whose currency the Notes are denominated becomes a member state of the Economic and Monetary Union (as defined in the Treaty establishing the European Community (the **EC**), as amended (the **Treaty**)), or (ii) events that may have substantially the same effect have occurred, convert the aggregate nominal amount and the specified denomination in the applicable Final Terms. The date on which this redenomination becomes effective shall be defined in these Terms as the **Redenomination Date**. The redenomination of the Notes shall be made by converting the nominal amount of the issue and the nominal value of each Note denominated in the relevant national currency into euro by using the fixed conversion rate between this national currency and euro as set out by the European Union Council pursuant to article 123 (4) of the Treaty and by rounding the resulting number to the nearest hundredth of euro (0.005 euro being rounded up). If the Issuer decides so, the resulting number of the conversion of the issue's nominal amount and the nominal amount of each Note after application of the fixed conversion rate between such national currency and euro may be rounded to the nearest lower euro. The nominal amount of the issue and the nominal value of the Notes in euro thus determined shall be notified to the Noteholders pursuant to Condition 14. Any remainder in cash resulting from the redenomination of a value above 0.01 euro shall be paid through a cash portion rounded to the nearest hundredth euro (0.005 euro being rounded up). Such a cash portion shall be payable in euros at the Redenomination Date under the method noticed by the Issuer to the relevant Noteholders. Following a redenomination of Notes, any reference hereunder to the relevant national currency shall be interpreted as a reference to euro.

1.5 Consolidation

The Issuer shall be entitled (if so specified in the relevant Final Terms), on each Interest Payment Date occurring after the Redenomination Date, with the prior consent of the Fiscal Agent (which may not be unreasonably withheld) and without the consent of the Noteholders or Couponholders, by giving notice to the Noteholders as least 30 calendar days in advance in accordance with Condition 14, to consolidate the Notes of a Series denominated in euro with the Notes of one or more other Series in issue, whether or not such Notes were initially issued in one of the European national currencies or in euro, provided that such other Notes have been redenominated in euro pursuant to the terms provided in Condition 1.4 above (if this was not the case initially) and also have, for all periods following such consolidation, the same terms and conditions as the Notes.

2. CONVERSION AND EXCHANGE OF NOTES

2.1 Dematerialised Notes

(a) Dematerialised Notes issued in bearer form (au porteur) cannot be converted into Dematerialised Notes in registered form, whether in pure registered form (au nominatif pur) or in administered registered form (au nominatif administré).

(b) Dematerialised Notes issued in registered form (au nominatif) cannot be converted into Dematerialised Notes in bearer form (au porteur).

(c) Dematerialised Notes issued in pure registered form (au nominatif pur) may, at the option of the Noteholder, be converted into Notes in administered registered form (au nominatif administré), and vice versa. Such option must be exercised by the Noteholder in accordance with article R.211-4 of the French Code monétaire et financier. Any costs relating to such conversion shall be borne by the relevant Noteholder.

2.2 Materialised Notes

Materialised Notes of a Specified Denomination cannot be exchanged for Materialised Notes of another Specified Denomination.

3. STATUS AND RANKING

The Notes and, if applicable, any Receipts and Coupons relating to them, constitute direct, unconditional, senior preferred as defined in article L.613-30-3-I-3o of the Monetary and Financial Code and (subject to the paragraph below) unsecured obligations of the Issuer and rank pari passu without any preference among themselves and (subject to such exceptions as are mandatory under French law) equally and rateably with all other present or future senior preferred and unsecured obligations of the Issuer.

So long as any Notes or, if applicable, any Receipts or Coupons attached to such Notes remain outstanding (as defined below), the Issuer shall not grant or permit to subsist any mortgage, charge, pledge or other security interest (sûreté réelle) upon any of its assets, rights or revenues, present or future, to secure any Indebtedness (as defined below) incurred or guaranteed by the Issuer, unless the obligations of the Issuer under the Notes and, if applicable, any Receipts and Coupons benefit from equivalent and equal ranking security.

For the purposes of this Condition, **Indebtedness** means any indebtedness in the form of any present or future borrowing, represented by bonds or other securities or negotiable instruments (including in particular securities that are or were originally privately placed) listed or traded or able to be listed or traded on any stock exchange or any other securities market.

In these Terms, **outstanding** means, in respect of the Notes of any Series, all the Notes issued other than (i) those that have been redeemed in accordance with these Terms, (ii) those where the redemption date has occurred and the redemption amount (including all interest accrued on such Notes up to said redemption date and any interest payable after said date) has been duly paid in accordance with the provisions of Condition 7, (iii) those which have become void or for which claims are prescribed, (iv) those which have been purchased and cancelled in accordance with Condition 6.8, (v) those which have been purchased and retained in accordance with Condition 6.7, (vi) in the case of Physical Notes, (A) those mutilated or defaced Physical Notes that have been surrendered in exchange for replacement Physical Notes, (B) for the sole purpose of determining the number of Physical Notes outstanding and without prejudice to their status for any other purpose, those Physical Notes allegedly lost, stolen or destroyed and for which replacement Physical Notes have been issued and (C) any Temporary Global Certificate provided it has been exchanged for one or more Physical Notes in accordance with its terms.

4. GUARANTEES

4.1 The ST Guarantee

The Notes will benefit from a first demand guarantee (*garantie autonome à première demande*) granted by Agence France Locale – Société Territoriale (**ST**) in accordance with the guarantee approved by the Board of Directors of ST on 10 June 2026 (the **ST Guarantee**).

As such, the Issuer represents and agrees that the Notes will be eligible for the benefit of the first demand guarantee granted by ST, in accordance with Title IV "Guarantee Mechanism" of ST's articles of association and whose terms and conditions are reproduced in paragraph 2 of "Description of the Guarantors and the Guarantee mechanism" section of this Base Prospectus. The acquisition or subscription of any Note will constitute acceptance of the ST Guarantee and a mandate granted to the ST to open, on behalf of the Beneficiaries, an escrow account in accordance with the provisions of the ST Guarantee by each of the Noteholders.

The obligations of ST under the ST Guarantee are unsecured and unsubordinated obligations of ST which rank and will rank equally with all other present and future unsecured and unsubordinated obligations of ST, subject to such exceptions as are from time to time mandatory under French law.

4.2 The Member Guarantees

The Notes will benefit from first demand guarantees granted by local authorities, their groupings and local public institutions which have completed the membership process and have consequently become shareholders of ST (the **Members**), equal, for each Member, to the outstanding amount of the loans of an initial term of more than 364 days that such Member would have subscribed with the Issuer (together with ST, the **Guarantors**) (the **Members Guarantees**, together with the ST Guarantee, the **Guarantees**).

In this context, the Issuer represents and agrees that the Notes will be eligible for the benefit of the first demand guarantees granted by Members, in accordance with Title IV "Guarantee Mechanism" of ST's articles of association, substantially in accordance with the terms and conditions of the form of guarantee reproduced in paragraph 3 of "Description of the Guarantors and the Guarantee mechanism" section of this Base Prospectus. The acquisition or subscription of any Note will constitute acceptance of the Members Guarantees and a mandate granted to the ST to open, on behalf of the Beneficiaries, an escrow account in accordance with the provisions of the Members Guarantees by each of the Noteholders.

The obligations of each of the Members under each of the Members Guarantees are unsecured and unsubordinated obligations of each Guarantor which rank and will rank equally with all other present and future unsecured and unsubordinated obligations of each Guarantor, subject to such exceptions as are from time to time mandatory under French law.

4.3 Call on Guarantees

The Guarantees are independent guarantees under French law, and can be called in accordance with their respective terms, which are entirely reproduced in paragraphs 2 and 3 of the section "Description of the Guarantors and the Guarantee mechanism" of this Base Prospectus.

5. CALCULATION OF INTEREST AND OTHER CALCULATIONS

5.1 Definitions

In these Terms, unless the context requires otherwise, the terms defined below shall have the following meanings:

Reference Banks means the institutions specified as such in the relevant Final Terms or, if none is specified, four prime banks selected by the Calculation Agent on the interbank market (or if necessary, on the money market or the swaps market) with the closest connection to the Benchmark (which, if the relevant Benchmark is EURIBOR (TIBEUR in French) shall be the Euro-zone and if the Benchmark is the CMS rate, shall be the swaps market of the Relevant Financial Centre.)

Interest Period Commencement Date refers to the Issue Date of the Notes or any other date referred to in the relevant Final Terms.

Coupon Determination Date means, in respect of an Interest Rate and an Interest Accrual Period, the date specified as such in the applicable Final Terms, or, if no date is specified, (a) the day falling two T2 Business Days before the first day of such Interest Accrual Period if the Specified Currency is Euro or (b) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (c) if the Specified Currency is neither pond sterling nor euro, the day falling two Business Days in the city specified in the relevant Final Terms preceding the first day of such Interest Accrual Period.

Issue Date means, in respect of a relevant Tranche, the settlement date of the Notes.

Interest Payment Date refers to the date(s) specified in the relevant Final Terms.

Interest Accrual Period Date means each Interest Payment Date unless provided otherwise in the relevant Final Terms.

Relevant Date means, in respect of any Note, Receipt or Coupon, the date on which the amount payable under such Note, Receipt or Coupon becomes due and payable or (if any amount due and payable is improperly withheld or refused) the date on which the outstanding amount is paid in full or (in the case of Materialised Notes, if such date falls earlier) the day falling seven calendar days after the date on which the holders of such Materialised Notes have been notified that, upon further presentation of such Materialised Note, Receipt or Coupon being made in accordance with the Terms, such payment will be made, provided that payment is in fact made upon such presentation.

Effective Date means, in respect of a Floating Rate to be determined on any Coupon Determination Date, the date specified in the relevant Final Terms or, if no date is specified, the first day of the Interest Accrual Period to which such Coupon Determination Date relates.

FBF Definitions means the definitions set out in the June 2013 FBF Master Agreement relating to transactions on forward financial instruments, as supplemented by the Technical Schedules, as published by the Fédération Bancaire Française (together the **FBF Master Agreement**) as amended, as the case may be, at the Issue Date.

ISDA Definitions means the 2021 ISDA Interest Rate Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. (**ISDA**) and as amended and updated on the Issue Date of the first Tranche of Notes.

Specified Currency means, the currency specified in the relevant Final Terms.

Specified Duration means, with respect to any Floating Rate to be determined by Screen Rate Determination on a Coupon Determination Date, the duration specified in the relevant Final Terms, or if no duration is specified, a period of time equal to the Interest Accrual Period, ignoring any adjustment pursuant to Article 5.3(b).

Relevant Time means, with respect to any Coupon Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency on the interbank market in the Relevant Financial Centre. For this purpose, **Local time** means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11.00 a.m. (Brussels time).

Business Day means:

(a) in the case of Euro, a day on which the real-time gross settlement system operated by the Eurosystem, or any successor or replacement of such system (**T2**), is operating (a **T2 Business Day**); and/or

(b) in the case of a Specified Currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(c) in the case of a Specified Currency and/or one or more business centre(s) specified in the relevant Final Terms (the **Business Centre(s)**), a day (other than Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the currency of the Business Centre(s) or, if no currency is specified, generally in each of the specified Business Centres.

Margin means, for an Interest Accrual Period, the percentage or number for the applicable Interest Accrual Period, as indicated in the relevant Final Terms, being specified that it may have a positive value, a negative value or equal zero.

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

(a) if **Actual/365** or **Actual/365-FBF** or **Actual/Actual-ISDA** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(b) If **Actual/Actual-ICMA** is specified in the relevant Final Terms:

(i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Periods that would normally end in one year; and

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

(A) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Periods that would normally end in one year; and

(B) the number of days in such Calculation Period falling in the following Determination Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Periods that would normally end in one year,

in each case, **Determination Period** means the period from and including a Coupon Determination Date in any year to but excluding the next Determination Date and **Coupon Determination Date** means the date specified in the relevant Final Terms, or if no date is specified, the Interest Payment Date;

(c) If **Actual/Actual-FBF** is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period). If the Calculation Period is of a duration of more than one year, the basis shall be determined as follows:

(i) the number of complete years shall be counted back from the last day of the Calculation Period;

(ii) this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition;

(d) if **Actual/365 (Fixed)** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;

(e) If **Actual/360** is specified in the relevant Final Terms, it is the actual number of days in the Calculation Period divided by 360;

(f) If **30/360**, **360/360** or **Bond Basis** is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360 (i.e. the number of days to be calculated on the basis of year with 360 days with twelve 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month and the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month in which the last day falls shall not be reduced to a thirty-day month or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be extended to a thirty-day month));

(g) if **30/360 - FBF** or **Actual 30A/360 (American Bond Basis)** is specified in the applicable Final Terms, then, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days calculated as for 30E/360 – FBF, subject to the following exception:

where the last day of the Calculation Period is the 31st and the first is neither a 30th nor a 31st, the last month of the Calculation Period shall be deemed to be a month of thirty-one (31) days.

The fraction is:

$\mathrm{sjjj}^2 = 31\mathrm{etkk}^1 \neq (30{,}31)$

then:

$$\frac{1}{360} \times [(\mathrm{aa}^2 - \mathrm{aa}^1) \times 360 + (\mathrm{mm}^2 - \mathrm{mm}^1) \times 30 + (\mathrm{jj}^2 - \mathrm{jj}^1)]$$

or:

$$\frac{1}{360} \times \left[(\mathrm{aa}^2 - \mathrm{aa}^1) \times 360 + (\mathrm{mm}^2 - \mathrm{mm}^1) \times 30 + \mathrm{Min}(\mathrm{jj}^2, 30) - \mathrm{Min}(\mathrm{jj}^1, 30)\right]$$

where:

$\mathrm{D1}(\mathrm{jj}^1, \mathrm{mm}^1, \mathrm{aa}^1)$ is the commencement date of the period

$\mathrm{D2}(\mathrm{jj}^1, \mathrm{mm}^2, \mathrm{aa}^2)$ is the end date of the period;

(h) If **30E/360** or **euro Bond Basis** specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve (12) 30-day months, without considering the date of the first day or last day of the Calculation Period, unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a thirty-day month) and;

(i) If **30E/360 – FBF** is specified in the relevant Final Terms, then, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days elapsed during such period, calculated on the basis of a year of twelve (12) 30-day months, subject to the following exception:

If the last day of the Calculation Period is the last day of the month of February, the number of days elapsed during such month shall be the actual number of days.

Using the same defined terms as used for 30/360 - FBF, the fraction is:

$$\frac{1}{360} \times \left[(\mathrm{aa}^2 - \mathrm{aa}^1) \times 360 + (\mathrm{mm}^2 - \mathrm{mm}^1) \times 30 + \mathrm{Min}(\mathrm{jj}^2, 30) - \mathrm{Min}(\mathrm{jj}^1, 30)\right]$$

Coupon Amount means the amount of interest due and, in the case of Fixed Rate Notes, the Fixed Coupon Amount or the Broken Amount (as defined in Condition 4.2), as the case may be, as specified in the relevant Final Terms.

Representative Amount means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on a Coupon Determination Date, the amount specified as such on that date in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

Screen Page means any page, section, heading, column or any other part of a document supplied by any information service (including without limitation to Thomson Reuters (**Reuters**)) as may be nominated to provide a Relevant Rate or any other page, section, heading, column or any other part of a document of such information service or any other information service as may replace it, in each case as nominated by the entity or organisation providing or responsible for the dissemination of the information appearing on such service to indicate rates or prices comparable to the Relevant Rate, as specified in the relevant Final Terms.

Interest Period means the period beginning on (and including) the Interest Period Commencement Date and ending on (but excluding) the first Interest Payment Date as well as each subsequent period beginning on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date or on the relevant payment date if the Notes become redeemable on a date other than an Interest Payment Date.

Interest Accrual Period means the period beginning on (and including) the Interest Period Commencement Date and ending on (but excluding) the first Interest Accrual Period Date as well as each subsequent period beginning on (and including) an Interest Accrual Period Date and ending on (but excluding) the following Interest Accrual Period Date.

Relevant Financial Centre means, in respect of a Floating Rate to be determined in accordance with a Screen Rate Determination on a Coupon Determination Date, the financial centre as may be specified in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Paris.

Benchmark means the relevant rate EURIBOR (TIBEUR in French), the CMS Rate, €STR, SONIA, SARON, TONA or SOFR (or any successor rate or replacement rate) as specified in the relevant Final Terms.

Interest Rate means the interest rate payable in respect of the Notes and that is either specified or calculated in accordance with the provisions of these Terms as supplemented by the applicable Final Terms.

Relevant Rate means the Benchmark for a Representative Amount in the Specified Currency for a period equal to the Specified Duration commencing on the Effective Date, if the Representative Amount, Specified Duration and Effective Date are applicable to or compatible with the Benchmark, and in other cases, the Benchmark.

Euro-zone means the region composed of EU member States that have adopted the single currency in accordance with the Treaty.

5.2 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest calculated on its outstanding nominal amount, as from the Interest Period Commencement Date, at an annual rate (expressed as a percentage) equal to the Interest Rate, payable annually, semi-annually, quarterly or monthly (unless provided otherwise in the relevant Final Terms) in arrears on each Interest Payment Date.
If a fixed coupon amount (**Fixed Coupon Amount**) or a broken amount of interest (**Broken Amount**) is specified in the relevant Final Terms, the Coupon Amount payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified.

5.3 Interest on Floating Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note shall bear interest calculated on its unredeemed nominal amount, as from the Interest Period Commencement Date, at an annual rate (expressed as a percentage) equal to the Interest Rate, payable annually, semi-annually, quarterly or monthly (unless provided otherwise in the relevant Final Terms) in arrears on each Interest Payment Date. Such Interest Payment Date(s) shall be specified in the applicable Final Terms; if no Interest Payment Date(s) is/are specified in the applicable Final Terms, Interest Payment Date shall mean each date falling at the end of such number of months or at the end of such other period as is specified in the applicable Final Terms as being the Interest Period, falling after the preceding Interest Payment Date and, in the case of the first Interest Payment Date, falling after the Interest Period Commencement Date.

(b) Business Day Convention

If any date referred to in these Terms that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the applicable Business Day Convention is (i) the **Floating Rate Business Day Convention,** such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (ii) the **Following Business Day Convention**, such date shall be postponed to the next day that is a Business Day, (iii) the **Modified Following Business Day Convention**, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (iv) the **Preceding Business Day Convention**, such date shall be brought forward to the immediately preceding Business Day. Notwithstanding the foregoing, if the applicable Final Terms indicate that the Business Day Convention shall be applied on a "non-adjusted" basis, the Coupon Amount payable at any date shall not be affected by the application of the relevant Business Day Convention.

(c) Interest Rate for Floating Rate Notes

The Interest Rate in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in compliance with the provisions below relating to FBF Determination, Screen Rate Determination or ISDA Determination, as specified in the relevant Final Terms.

(i) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Final Terms as being the method applicable for the determination of the Interest Rate, the Interest Rate for each Interest Accrual Period shall be determined by the Calculation Agent as being a rate equal to the relevant FBF Rate plus or minus, as the case may be (as specified in the

relevant Final Terms), the Margin. For the purposes of this sub-paragraph (i), the "FBF Rate", in respect of an Interest Accrual Period, means a rate equal to the Floating Rate that would be determined by the Calculation Agent for a swap transaction entered into pursuant to an FBF Master Agreement supplemented by the Interest Rate or Currency Swaps Technical Schedule under the terms of which:

(A) the relevant Floating Rate is as specified in the relevant Final Terms; and

(B) the Floating Rate Determination Date is as specified in the relevant Final Terms.

For the purposes of this sub-paragraph (i), "Floating Rate" and "Floating Rate Determination Date" bear the definitions given to them in the FBF Definitions.

If the paragraph "Floating Rate", in the applicable Final Terms, provides that the interest rate in respect of an Interest Period shall be determined by linear interpolation, the Interest Rate applicable to such Interest Period shall be calculated by the Calculation Agent by linear interpolation between two (2) rates based on the relevant Floating Rate, the first rate as would be applicable to a maturity just shorter than the duration of the relevant Interest Period and the second rate as would be applicable to a maturity just longer than the relevant Interest Period.

(ii) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as being the method applicable for the determination of the Interest Rate, the Interest Rate for each Interest Accrual Period shall be determined by the Calculation Agent as being a rate equal to the relevant ISDA Rate plus or minus, as the case may be (as specified in the relevant Final Terms), the Margin.

For the purposes of this sub-paragraph ii), the **ISDA Rate** in respect of an Interest Accrual Period means a rate equal to the Floating Rate as determined by the Calculation Agent for a Swap Transaction entered into pursuant to an agreement incorporating the ISDA Definitions under the terms of which:

(a) the **Floating Rate Option** is as specified in the applicable Final Terms;

(b) the **Designated Maturity** is a period specified in the applicable Final Terms;

(c) the relevant **Reset Date** is the first day of such Interest Accrual Period, unless provided otherwise in the applicable Final Terms;

(d) references to **Confirmation** shall be construed as references to the relevant Final Terms;

(e) the relevant **Fixing Day** is the date specified in the applicable Final Terms or, failing which, as defined in the ISDA Definitions;

(f) the **Effective Date** is, unless otherwise specified in the applicable Final Terms, the Interest Period Commencement Date;

(g) the **Termination Date** is, unless otherwise specified in the applicable Final Terms, the last day of the last occurring Interest Accrual Period;

(h) the relevant **Calculation Period** is as specified in the applicable Final Terms or, failing which, the relevant Interest Accrual Period (as defined in these Conditions); and

(i) If the Floating Rate Option is an Overnight Floating Rate Option and Compounding Method is specified as being applicable in the applicable Final Terms:

- For the purpose of the Compounding Method, the relevant Reset Date is the last day of the last occurring Interest Accrual Period, unless otherwise specified in the Final Terms;
- Delayed Payment will be applicable if so specified in the Final Terms, and if so, the applicable number of days is either (x) as specified in the Final Terms, or (y) if no number is specified as such in the Final Terms, five (5) days;
- OIS Compounding will be applicable if so specified in the Final Terms;
- Compounding with Lookback will be applicable if so specified in the Final Terms, and if so, the **Lookback** is either (x) as specified in the Final Terms, or (y) if no number is specified as such in the Final Terms, the number specified as the "Lookback" for the relevant Floating Rate Option in the ISDA Definitions, or (z) if no such number is specified for the relevant Floating Rate Option, five (5) days;
- Compounding with Observation Period Shift will be applicable if so specified in the Final Terms, and if so, **Set-in-Advance** will be applicable if so specified in the Final Terms, **Observation Period Shift Additional Business Day** is as specified in the Final Terms, and the **Observation Period Shift** is either (x) as specified in the Final Terms, or (y) if no such number is specified in the Final Terms, the number specified as the "Observation Period Shift" for the relevant Floating Rate Option in the ISDA Definitions, or (z) if no such number is specified for the relevant Floating Rate Option, five (5) days; and
- Compounding with Lockout will be applicable if so specified in the Final Terms, and if so, **Lockout Period Business Day** is as specified in the Final Terms and the **Lockout** is either (x) as specified in the Final Terms, or (y) if no such number is specified in the Final Terms, the number specified as the "Lockout" for the relevant Floating Rate Option in the ISDA Definitions, or (z) if no such number is specified for the relevant Floating Rate Option, five (5) days.

For the purposes of this sub-paragraph (ii), unless otherwise defined in this sub-paragraph, **Agent de Calcul**, **Taux Variable**, **Option à Taux Variable**, **Echéance Prévue**, **Date de Réinitialisation, Contrat d'Echange, Option à Taux Variable**

Overnight, **Compounding avec Lookback**, **Compounding avec Observation Period Shift**, **Compounding avec Lockout, OIS Compounding, Jour de Fixation, Date Effective, Date de Fin, Jour Ouvré Supplémentaire de la Période d'Observation Shift, Paiement Différé, Set-in-Advance, Date de Fin de Période, Période de Lockout, Période de Lookback, Période d'Observation Shift et Jour Ouvré de la Période de Lockout** are the respective French equivalents of the terms "*Calculation Agent"*, "*Floating Rate*", "*Floating Rate Option*", "*Designated Maturity*", "*Reset Date*", "*Swap Transaction*", "*Overnight Floating Rate Option*", "*Compounding with Lookback*", "*Compounding with Observation Period Shift*", "*Compounding with Lockout*", "*OIS Compounding*", "*Fixing Day*", "*Effective Date*", "*Termination Date*", "*Observation Period Shift Additional Business Days*" "*Delayed Payment*", "*Set in Advance*", "*Period End Date*", "*Lockout"*, "*Lookback*", "*Observation Period Shift"* and "*Lockout Period Business Day*", which have the meanings given to those terms in the ISDA Definitions.

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

(iii) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as being the method applicable for the determination of the Interest Rate, the Interest Rate for each Interest Accrual Period shall be determined by the Calculation Agent at (or about) the Relevant Time on the Coupon Determination Date relating to such Interest Accrual Period as specified below:

(A) except for Notes in respect of which the relevant Final Terms specify that the Benchmark is TONA, SARON, €STR, SONIA or SOFR, if the primary source for the Floating Rate is a Screen Page, subject as provided below or in Condition 5.3(c)(iv) below, the Interest Rate shall be:

I. the Relevant Rate (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity), or

II. the arithmetic mean of the Relevant Rates of the entities whose Relevant Rates appear on that Screen Page,

in each case as published on such Screen Page, at the Relevant Time on the Coupon Determination Date, as specified in the relevant Final Terms, decreased or increased, as the case may be (as specified in the relevant Final Terms), by the Margin;

(B) if the primary source for the Floating Rate is Reference Banks or if sub-paragraph (A)(I) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Coupon Determination Date or if sub-paragraph (A)(II) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Coupon Determination Date, the Interest Rate, subject as provided below, shall be equal to the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Coupon Determination Date, as determined by the Calculation Agent, decreased or

increased, as the case may be (as specified in the relevant Final Terms) by the Margin; and

(C) if paragraph (B) above applies and the Calculation Agent determines that less than two Reference Banks are so quoting Relevant Rates, the Interest Rate shall, subject as provided below, be the arithmetic mean of the rates per annum (expressed in percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the Euro-zone as selected by the Calculation Agent, (**the Principal Financial Centre**) are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period beginning on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Interest Rate shall be the Interest Rate determined on the previous Coupon Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period as specified, as the case may be, in the applicable Final Terms).

If the paragraph "Benchmark", in the applicable Final Terms, provides that the interest rate in respect of an Interest Period shall be determined by linear interpolation, the Interest Rate applicable to such Interest Period shall be calculated by the Calculation Agent by linear interpolation between two (2) rates based on the relevant Floating Rate, the first rate as would be applicable to a maturity just shorter than the duration of the relevant Interest Period and the second rate as would be applicable to a maturity just longer than the relevant Interest Period.

(D) Where Screen Rate Determination is specified in the relevant Final Terms as being the method applicable for the determination of the Interest Rate and the Benchmark for such Floating Rate Notes is €STR, the Interest Rate for each Interest Accrual Period shall be determined by the Calculation Agent by one of the following methods:

(x) if €STR *Lookback Compound* is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, subject as provided below, be €STR-*LOOKBACK-COMPOUND* plus or minus the Margin (if applicable, as specified in the relevant Final Terms);

(y) if €STR *Shift Compound* is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, subject as provided below, be €STR-*SHIFT-COMPOUND* plus or minus the Margin (if applicable, as specified in the relevant Final Terms).

Where:

"**€STR-*LOOKBACK-COMPOUND***" means the rate of return of a daily compound interest investment (with the €uro Short-Term Rate as reference rate), calculated by the Calculation Agent on the Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

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

Where:

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

d_o is the number of T2 Business Days in the relevant Interest Accrual Period;

€STRi-$_{i\text{-}pJOT}$ means, for any T2 Business Day falling in the relevant Interest Accrual Period, the €STR on the T2 Business Day falling on the "d" T2 Business Day(s) before the relevant T2 Business Day "i";

i is a series of whole numbers from one (1) to d_o, each representing the relevant T2 Business Day in chronological order, from, and including, the first T2 Business Day of the relevant Interest Accrual Period, to, but excluding the Coupon Payment Date for such Interest Accrual Period;

n_i means, for any T2 Business Day "i", the number of calendar days from and including the relevant T2 Business Day "i", up to but excluding the immediate following T2 Business Day, in the relevant Interest Accrual Period;

Observation Lookback Period means the observation period specified in the relevant Final Terms; and

p means, for any Interest Accrual Period, the number of T2 Business Days in the Observation Lookback Period.

"**€STR-*SHIFT-COMPOUND***" means the rate of return of a daily compound interest investment (with the €uro Short-Term Rate as reference rate), calculated by the Calculation Agent on the Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

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

Where:

d is the number of calendar days in the relevant Observation Period.

d_o is, for any Observation Period, the number of T2 Business Days in the relevant Observation Period.

€STR$_i$ means, for any T2 Business Day falling in the relevant Observation Period, the €STR for such T2 Business Day "i".

i is a series of whole numbers from one (1) to d_o, each representing the relevant T2 Business Day in chronological order from (and including) the first T2 Business Day of the relevant Observation Period to (but excluding) the last T2 Business Day in such Observation Period.

Observation Shift Days means the number of T2 Business Days specified in the relevant Final Terms.

n_i means, for any T2 Business Day "i" falling in the relevant Observation Period, the number of calendar days from (and including) the relevant T2 Business Day "i" , to (but excluding) the T2 Business Day « i" immediately following ("i+1").

Observation Period means, for each Interest Accrual Period, the period beginning on (and including) the date falling the number of T2 Business Days corresponding to the number of Observation Shift Days preceding the first day of the relevant Interest Accrual Period to (but excluding) the date falling the number of T2 Business Days corresponding to the number of Observation Shift Days preceding the Coupon Payment Date for the relevant Interest Accrual Period.

If the €STR, on any T2 Business Day, is not published on the Screen Page and no €STR Index Cessation Event has occurred, the €STR to be applied for such T2 Business Day shall be the €STR rate in respect of the last T2 Business Day for which such rate was published on the Website of the European Central Bank (as defined below).

If the €STR, for any T2 Business Day, is not published on the Screen Page and an €STR Index Cessation Event and an €STR Index Cessation Effective Date have both occurred, then the €STR, for each T2 Business Day falling on the day or days following the €STR Index Cessation Effective Date, shall be determined as if references to €STR were references to the ECB Recommended Rate.

If no ECB Recommended Rate has been recommended before the end of the first T2 Business Day following the date on which the €STR Index Cessation Event occurred, then the €STR, for each T2 Business Day falling on the day or days following the €STR Index Cessation Effective Date, shall be determined as if references to €STR were references to Modified EDFR.

If an ECB Recommended Rate has been recommended and an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date have both occurred, then the €STR, for each T2 Business Day falling on the day or days following the ECB Recommended Rate Index Cessation Effective Date, shall be determined as if references to €STR were references to Modified EDFR.

Any substitution of €STR, as specified above, shall remain effective until the Maturity Date of the Notes (as specified in the relevant Final Terms).

If the Interest Rate cannot be determined by the Calculation Agent in accordance with the above, (i) the Interest Rate shall be that determined as at

the last preceding Coupon Determination Date or (ii) if there is no such preceding Coupon Determination Date, the Interest Rate shall be determined as if the €STR rate, for each T2 Business Day falling on the day or days following the €STR Index Cessation Effective Date, were references to the latest published ECB Recommended Rate or, if EDFR is published on a date subsequent to the date of publication of the latest ECB Recommended Rate, to Modified EDFR or (iii) if there is no preceding Coupon Determination Date and no ECB Recommended Rate, or Modified EDFR is available, then the €STR, for each T2 Business Day falling on the day or days following the €STR Index Cessation Effective Date, shall be determined as if references to €STR were references to the latest published €STR rate. A substitution must be made, in each of cases (i), (ii) and (iii) above, where a different Margin, or Maximum Interest Rate or Minimum Interest Rate is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, or Maximum Interest Rate or Minimum Interest Rate relating to the relevant Interest Accrual Period).

Any determination, decision or election made by the Calculation Agent (or any other party responsible for calculating the Interest Rate, as indicated in the Final Terms) in accordance with this provision, including any determination of a rate, an adjustment or the occurrence or non-occurrence of an event, circumstance or date, and any decision to take or refrain from taking any action or making any election (i) will be binding in the absence of manifest error, (ii) will be made at the sole discretion of the Calculation Agent (or any other party responsible for calculating the Interest Rate, as specified in the Final Terms), and (iii) notwithstanding any provision to the contrary in the documentation on Notices, shall become effective without the consent of the Holders of the Notes or any other party.

For the purposes of this paragraph 5.3(c)(iii)(D):

ECB Recommended Rate Index Cessation Effective Date means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate is no longer provided, as determined by the Issuer and notified by the Issuer to the Calculation Agent.

€STR Index Cessation Effective Date means, in respect of an €STR Index Cessation Event, the first T2 Business Day on which €STR is no longer provided by the European Central Bank (or any successor administrator of €STR), as determined by the Issuer and notified by the Issuer to the Calculation Agent.

EDFR means the Eurosystem Deposit Facility Rate, being the offered rate of return on deposits, which banks may use to make overnight deposits with the Eurosystem (comprising the European Central Bank and the national central banks of those countries that have adopted the Euro) as published on the Website of the European Central Bank (as defined below).

Modified EDFR means a reference rate equal to the EDFR plus the EDFR Spread.

EDFR Spread means:

(1) if no ECB Recommended Rate is recommended before the end of the first T2 Business Day following the date on which the €STR Index

Cessation Event occurs, the arithmetic mean of the daily difference between the €STR and the EDFR for each of the thirty (30) T2 Business Days immediately preceding the date on which the €STR Index Cessation Event occurred; or

(2) if an ECB Recommended Rate Index Cessation Event occurs, the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the thirty (30) T2 Business Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurred.

€STR (or **€uro Short Term Rate**) means, for any T2 Business Day, the interest rate representing the unsecured overnight borrowing costs of banks located in the Euro zone provided by the European Central Bank as administrator of such rate (or any successor administrator), and published on the Website of the European Central Bank at or before 9:00 a.m. (Frankfurt time) (or, in case a revised €uro Short-Term Rate is published as provided in Article 4 paragraph 3 of the ECB €STR Guideline at or before 11:00 a.m. (Frankfurt time), such revised interest rate) on the T2 Business Day immediately following such T2 Business Day.

ECB Recommended Rate Index Cessation Event means the occurrence of one or more of the following events, as determined by the Issuer and notified by the Issuer to the Calculation Agent:

(1) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or

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

€STR Index Cessation Event means the occurrence of one or more of the following events, as determined by the Issuer and notified by the Issuer to the Calculation Agent:

(1) a public statement or publication of information by or on behalf of the European Central Bank (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement

or the publication, there is no successor administrator that will continue to provide €STR; or

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

ECB €STR Guideline means Guideline (EU) 2019/1265 of the European Central Bank of 10 July 2019 on the €uro Short-Term Rate (€STR) (ECB/2019/19), as amended from time to time.

ECB Recommended Rate means a rate (inclusive of any spreads or adjustments) recommended as the replacement for €STR by the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another benchmark administrator), as determined by the Issuer and notified by the Issuer to the Calculation Agent.

Website of the European Central Bank means the website of the European Central Bank currently accessible at http://www.ecb.europa.eu or any successor website officially designated by the European Central Bank.

(E) Where Screen Rate Determination is specified in the relevant Final Terms as being the method applicable for the determination of the Interest Rate and the Benchmark for such Floating Rate Notes is SONIA, the Interest Rate for each Interest Accrual Period shall be determined by the Calculation Agent as follows:

(x) if SONIA Lookback Compound is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, except as provided below, be the SONIA-LOOKBACK-COMPOUND, plus or minus the Margin (if applicable, as specified in the relevant Final Terms); or

(y) if SONIA Shift Compound is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, except as provided below, be the SONIA-SHIFT-COMPOUND, plus or minus the Margin (if applicable, as specified in the relevant Final Terms); or

(z) if SONIA Compound is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, except as provided below, be the SONIA-COMPOUND, plus or minus the Margin (if applicable, as specified in the relevant Final Terms).

For the purposes of this Article5.3(c)(iii)(E):

SONIA-LOOKBACK-COMPOUND, shall, except as provided below, equal the rate of return of a daily compound interest investment (with the Sterling daily overnight reference as reference rate), plus or minus the Margin (if applicable, as specified in the relevant Final Terms), as determined by the Calculation Agent on the Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\text{SONIA}_{i\text{-pJBL}}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

Where:

d is the number of calendar days in the relevant Interest Accrual Period.

d_o is the number of London Banking Days in the relevant Interest Accrual Period.

i is a series of whole numbers from one (1) to d_o (inclusive), each representing the relevant London Banking Days in chronological order from, and including, the first London Banking Day in the relevant Interest Accrual Period.

London Banking Day or **LBD** means any day on which commercial banks are open for general business (including foreign exchange operations and foreign currency deposits) in London.

n_i means, for any London Banking Day "i", the number of calendar days from and including such London Banking Day "i", up to but excluding the immediately following London Banking Day.

SONIA Observation Period means, in respect of any Interest Accrual Period, the period from and including the date falling "p" London Banking Days prior to the first day of the relevant Interest Accrual Period (the first SONIA Observation Period beginning on and including the date falling "p" London Banking Day(s) prior to the Interest Period Commencement Date) up to, but excluding, the date falling "p" London Banking Day(s) prior to the Coupon Payment Date of such Interest Accrual Period (or the date falling "p" London Banking Day(s) prior to such earlier date, if any, on which the Notes become due and payable);

Observation Lookback Period means the observation period specified in the relevant Final Terms.

p means in relation to any Interest Accrual Period, the number of London Banking Days included in the Observation Lookback Period.

SONIA in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average rate for such London Banking 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

concerned is not available, as otherwise published by such authorised distributors, on the London Banking Day immediately following such London Banking Day.

"**$SONIA_{i-pJBL}$**" means, in respect of any London Banking Day "i" falling in the relevant Interest Accrual Period, the SONIA for the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i".

SONIA-SHIFT-COMPOUND shall, except as provided below, be equal to the rate of return of a daily compound interest investment (with the Sterling daily overnight reference as reference rate), plus or minus the Margin (if applicable, as specified in the relevant Final Terms), as determined by the Calculation Agent on the Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

$$\left(\prod_{i=1}^{d_0}\left(1+\frac{\text{SONIA}_i \times n_i}{365}\right)-1\right)\times\frac{365}{d}$$

Where:

d is the number of calendar days in the relevant Observation Period.

d_o is the number of London Banking Days in the relevant Observation Period.

i is a series of whole numbers from one (1) to d_o (inclusive), each representing the relevant London Banking Days in chronological order from and including, the first London Banking Day in the relevant Observation Period.

London Banking Day or **LBD** means any day on which commercial banks are open for general business (including foreign exchange operations and foreign currency deposits) in London.

Observation Shift Days means the number of London Banking Business Days specified in the relevant Final Terms.

n_i means, for any London Banking Day "i", falling within the Relevant Observation Period, the number of calendar days from and including such London Banking Day "i", up to but excluding the immediately following London Banking Day.

Observation Period means, in respect of each Interest Accrual Period, the period from (and including) the date falling the number of London Banking Business Days corresponding to the number of Observation Shift Days prior to the first day of the relevant Interest Accrual Period and ending (but excluding) on the date falling in the number of London Banking Business Days corresponding to the number of Observation Shift Days preceding the Coupon Payment Date of the relevant Interest Accrual Period.

SONIA in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average rate for such London Banking 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 concerned is not available, as otherwise published by such authorised distributors, on the London Banking Day immediately following such London Banking Day.

SONIA$_i$ is, for any London Banking Day "i" within the Relevant Observation Period, equal to SONIA for such London Banking Day "i".

SONIA-COMPOUND, shall, except as provided below, equal the rate of return of a daily compound interest investment (with the Sterling daily overnight reference as reference rate), plus or minus the Margin (if applicable, as specified in the relevant Final Terms), as determined by the Calculation Agent on the Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

$$\left(\frac{SONIA\ Compounded\ Index_y}{SONIA\ Compounded\ Index_x} - 1\right) x\ \frac{365}{d}$$

Where:

d is the number of calendar days as from the day for which the SONIA Compounded Index$_x$ is determined, up to and including the the day for which the SONIA Compounded Index$_y$ is determined.

London Banking Day or **LBD** means any day on which commercial banks are open for general business (including foreign exchange operations and foreign currency deposits) in London.

Observation Shift Days refer to the the number of London Banking days indicated in the Relevant Final Terms (or five, in the case no number has been indicated

SONIA Compounded Index$_x$ means, for the Accrual Interest Period, the SONIA Compounded Index determined for the day falling within the number of Banking Days equal to the number of Observation Shift Days before the first day of such Accrual Interest Period;

SONIA Compounded Index$_y$, means, for an Accrual Interest Period, the SONIA Compounded Index determined for the day falling within the number of Banking Days equal to the number of Observation Shift Days preceding (A) the Interest Payment Date for the relevant Accrued Interest Period (or if it involves the last Accrued Interest Period, the Maturity Date:) or (B) any other date on which the payment of the relevant interests is due (but which by its definition or the application of its pertinent provisions is excluded from the relevant Accrued Interest Period).

SONIA in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average rate for such London Banking 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 concerned is not available, as otherwise published by such authorised

distributors, on the London Banking Day immediately following such London Banking Day.

SONIA Compounded Index means that for any London Banking day, the compounded SONIA index, as provided by the administrator of SONIA to authorised depositors, by 9.a.m.(London Time), and as published on the corresponding screen page, or as published by the authorised depositors, if the corresponding screen page is unavailable, In the event that the value of SONIA compounded index initially published by the SONIA administrator by 9.a.m.(London Time) during a London Banking day is thereafter corrected as such that the corrected value is published by the administrator of SONIA at the initial publication date, then such corrected value, instead of the value initially published, will be considered as SONIA compounded index.

If the SONIA compounded index is not published or made available on the relevant Screen Page by the administrator or any other information service at 5.p.m (London Time) (or, if later, at the time which is one hour later than the normal or scheduled time of publication, in accordance with the administrator's operational procedures then in force for SONIA Relevant Rate or any other information service, as the case may be) on the relevant Coupon Determination Date, the "SONIA-COMPOUND" on the Interest Accrual Period for which SONIA compounded index is unavailable will be calculated in accordance with the "SONIA SHIFT COMPOUND" above, as if SONIA Shift Compound was specified in the Final Terms as SONIA determination method, and, as such, the term Observation Shift Days refers to the number of London Banking Days specified in the Relevant Final Terms.

If, in respect of that London Banking Day "i-pLBD" or "i', the Calculation Agent determines that the SONIA is not available on the relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA shall be: (i) the Bank of England's discount rate (the **Bank Discount Rate**) prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA to the Bank Discount Rate over the previous five days on which a SONIA has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Discount Rate.

Notwithstanding the paragraph above, in the event the Bank of England publishes guidance as to (i) how the SONIA is to be determined or (ii) any rate that is to replace the SONIA, the Calculation Agent shall, to the extent that it is reasonably practicable, follow such guidance in order to determine the Interest Rate to apply whilst the SONIA is not available or has not been published by the authorised distributors.

If the Interest Rate cannot be determined by the Calculation Agent in accordance with the foregoing provisions, the Interest Rate shall be:

1. that determined as at the last preceding Coupon Determination Date (though substituting, where a different Margin, Maximum Interest Rate or Minimum Interest Rate is to be applied to the relevant Interest Accrual Period than that applicable to the last preceding Interest

Accrual Period, the Margin, Maximum Interest Rate or Minimum Interest Rate applicable to the relevant Interest Accrual Period); or

2. if there is no preceding Coupon Determination Date, the initial Interest Rate that would have applied for the first Interest Accrual Period if the Notes had been issued for a period equal in duration to the first scheduled Interest Accrual Period but ending on and excluding the Interest Period Commencement Date (although applying the Margin, Maximum Interest Rate or Minimum Interest Rate applicable to the first Interest Accrual Period).

Notwithstanding any Coupon Determination Date specified in the Final Terms, if the Notes have matured in accordance with the Conditions, the final Coupon Determination Date shall be deemed to be the date on which the Notes matured and the Interest Rate shall, for so long as the Notes remain in issue, be as determined on that date.

Any determination, decision or election that may be made by the Calculation Agent (or any other party responsible for the calculation of the Interest Rate as set out in the Final Terms) pursuant to this provision, including any determination as to any rate or adjustment or as to the occurrence or non-occurrence of any event, circumstance or date and any decision to take or refrain from taking any action or election (i) shall, in the absence of manifest error, be binding, (ii) shall be made in the sole discretion of the Calculation Agent (or such other party responsible for the calculation of the Interest Rate as may be specified in the Final Terms), and (iii) notwithstanding anything to the contrary contained in the documentation relating to the Notes, shall be effective without the consent of the Noteholders or any other party.

(F) Where Screen Rate Determination is specified in the relevant Final Terms as being the method applicable for the determination of the Interest Rate and the Benchmark for such Floating Rate Notes is SOFR, the Interest Rate shall be determined by the Calculation Agent as follows:

(x) if SOFR Arithmetic Average is specified as being applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall be the arithmetic average of the SOFR for each day in the period, plus or minus the Margin (if applicable, as specified in the relevant Final Terms), as determined by the Calculation Agent, the SOFR value on the SOFR Rate Cut-Off Date being deemed to be the SOFR value for the days in the period from and including the SOFR Rate Cut-Off Date up to but excluding the Coupon Payment Date;

(y) if SOFR Lockout Compound is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, except as provided below, be the USD-SOFR-LOCKOUT-COMPOUND, plus or minus the Margin (if applicable, as specified in the relevant Final Terms); or

(z) if SOFR Lookback Compound is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, except as provided below, be the USD-SOFR-LOOKBACK-COMPOUND, plus or minus the Margin (if applicable, as specified in the relevant Final Terms); or

(xx) if SOFR Shift Compound is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, except as provided below, be the USD-SOFR-SHIFT-COMPOUND, plus or minus the Margin (as applicable, as specified in the relevant Final Terms); or

(yy) if SOFR Index Average is specified as applicable in the Final Terms, the Interest Rate for each Interest Accrual Period shall, except as provided below, be the USD-SOFR-INDEX-AVERAGE, plus or minus the Margin (as applicable, as specified in the relevant Final Terms).

For the purposes of this Article 5.3(c)(iii)(F):

If the Calculation Agent, or any Independent Adviser determines, no later than the SOFR Determination Time, that a Benchmark Transition Event and related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then current Benchmark for the purposes of all Interest Rate determinations to be made on or after such date.

In connection with the implementation of a Benchmark Replacement, the Calculation Agent, or any Independent Adviser, will have the right to make any necessary or useful Benchmark Replacement Conforming Changes.

If a Benchmark Transition Event and related Benchmark Replacement Date have occurred, any determination, decision or election made by the Calculation Agent, or any Independent Adviser, in accordance with this Condition 5.3(c)(iii)(F), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any election: (i) shall be conclusive and binding absent manifest error; (ii) will be made in the sole discretion of the Calculation Agent or any Independent Adviser, as the case may be; and (iii) notwithstanding anything to the contrary in the documentation relating to the Programme or the Notes, shall become effective without consent from the Holders of the Notes or any other party.

USD-SOFR-LOCKOUT-COMPOUND means the rate of return of a daily compound interest investment (with the SOFR as the reference rate), calculated by the Calculation Agent on the U.S. Government Securities Business Day following each SOFR Rate Cut-Off Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

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

Where:

d is the number of calendar days in the relevant Interest Accrual Period.

d_o is the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period.

SOFR Rate Cut-Off Date means the date that is the second U.S. Government Securities Business Day prior to the Coupon Payment Date in respect of the relevant Interest Accrual Period or such other date specified in the relevant Final Terms.

SOFR Interest Reset Date means each U.S. Government Securities Business Day in the relevant Interest Accrual Period; provided, however, that the SOFR with respect to each SOFR Interest Reset Date in the period from, and including, the SOFR Rate Cut-Off Date to, but excluding, the corresponding Coupon Payment Date of an Interest Accrual Period, will be the SOFR value on the SOFR Rate Cut-Off Date for such Interest Accrual Period.

i is a series of whole numbers from one (1) to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Accrual Period.

n_i means, for any U.S. Government Securities Business Day "i" falling in the relevant Interest Accrual Period, the number of calendar days from, and including, such U.S. Government Securities Business Day "i", up to but excluding the following U.S. Government Securities Business Day "i" (i+1).

$SOFR_i$ means, for any U.S. Government Securities Business Day "i" which is a SOFR Interest Reset Date, the SOFR applicable to such SOFR Interest Reset Date.

USD-SOFR-LOOKBACK-COMPOUND means the rate of return of a daily compound interest investment (with the SOFR as the reference rate), calculated by the Calculation Agent on the U.S. Government Securities Business Day following each Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

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

Where:

d is the number of calendar days in the relevant Interest Accrual Period.

d_o is the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period.

i is a series of whole numbers from one (1) to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Accrual Period.

n_i means, for any U.S. Government Securities Business Day "i" falling in the relevant Interest Accrual Period, the number of calendar days from, and including, such U.S. Government Securities Business Day "i", up to but excluding the following U.S. Government Securities Business Day "i" (i+1).

p means, for each Interest Accrual Period, the number of U.S. Government Securities Business Days in the Observation Lookback Period.

Observation Lookback Period means the observation period specified in the relevant Final Terms.

$SOFR_{i\text{-}pJOGA}$ means, for each U.S. Government Securities Business Day "i" in the relevant Interest Accrual Period, the SOFR applicable to the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days before such day "i".

USD-SOFR-SHIFT-COMPOUND means the rate of return of a daily compound interest investment (with the SOFR as the reference rate), calculated by the Calculation Agent on the U.S. Government Securities Business Day following each Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

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

Where:

d is the number of calendar days in the relevant Observation Period.

d_o is, for any Observation Period, the number of U.S. Government Securities Business Days in the relevant Observation Period.

i is a series of whole numbers from one (1) to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period.

Observation Shift Days means the number of U.S. Government Securities Business Days specified in the relevant Final Terms.

n_i means, for any U.S. Government Securities Business Day "i" falling in the relevant Observation Period, the number of calendar days from, and including, such U.S. Government Securities Business Day "i", up to but excluding the following U.S. Government Securities Business Day "i" (i+1).

Observation Period means, in respect of each Interest Accrual Period, the period from (and including) the date falling the number of U.S. Government Securities Business Days corresponding to the number of Observation Shift Days prior to the first day of the relevant Interest Accrual Period up to (but excluding) the date falling the number of U.S. Government Securities Business Days corresponding to the number of Observation Shift Days preceding the Coupon Payment Date of the relevant Interest Accrual Period.

$SOFR_i$ means, for any U.S. Government Securities Business Day "i" in the relevant Observation Period, the SOFR applicable on such day "i".

USD-SOFR-INDEX-AVERAGE means the rate of return on an investment calculated using the compound interest method (with the SOFR Index as the reference rate for the calculation of interest) to be calculated by the Calculation Agent (or such other party responsible for the calculation of the Interest Rate as specified in the Final Terms) on the Coupon Determination Date, as follows, and the result in percentage terms shall be rounded if necessary to the nearest one hundred thousandth of a percentage point, with 0.000005 being rounded up:

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

Where:

dc means the number of calendar days from and including the $SOFR\ Index_{Start}$ up to but excluding the $SOFR\ Index_{End}$.

$SOFR\ Index_{Start}$ means the value of the SOFR Index on the date that is the number of U.S. Government Business Days specified in the relevant Final Terms prior up to the first date of the relevant Interest Accrual Period (a **SOFR Index Determination Date**).

SOFR IndexEnd

$SOFR\ Index_{End}$ means the value of the SOFR Index on the date that is the number of U.S. Government Business Days specified in the relevant Final Terms prior to the Interest Payment Date in respect of that Interest Accrual Period (or if it is the last Interest Accrual Period, the Maturity Date).

"**SOFR Index**" means the SOFR index for any U.S. Government Business Day as published by the New York Federal Reserve on the New York Federal Reserve's Website at the SOFR Determination Time (or any successor thereto), and set forth on the relevant Screen Page.

Subject as provided in this Section upon the occurrence of a Benchmark Index Transition Event, in respect of SOFR, if the SOFR Index is not published on any relevant SOFR Index Determination Date and a Benchmark Index Transition Event and corresponding Benchmark Index Replacement Date have not occurred, the "USD-SOFR-INDEX-AVERAGE" will be calculated on any Coupon Determination Date in respect of an Interest Accrual Period in accordance with the "USD-SOFR-SHIFT-COMPOUND" above and the term "Observation Shift Days" will be two U.S. Government Business Days. If a Benchmark Index Transition Event and the corresponding Benchmark Index Replacement Date have occurred, the provisions set forth in the definition of "SOFR" below shall apply.

SOFR means, in respect of any U.S. Government Securities Business Day:

(i) the Secured Overnight Financing Rate for such U.S. Government Securities Business Day, as published by the New York Federal Reserve, as the administrator of such rate (or a successor administrator) on the Website of

the New York Federal Reserve (or on the website of any successor administrator) by 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the **SOFR Determination Time**); or

(ii) if the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day is not published as specified in paragraph (i) above, and unless both a Benchmark Transition Event and related Benchmark Replacement Date have occurred, the Secured Overnight Financing Rate in respect of the last U.S. Government Securities Business Day on which such rate was published on the Website of the New York Federal Reserve (or on the website of any successor administrator).

Independent Adviser means an independent financial institution of international repute or an independent adviser of recognised standing with appropriate expertise, appointed by the Issuer at its own expense.

Benchmark means initially, SOFR, unless a Benchmark Transition Event relating to SOFR or the then current Benchmark and its related Benchmark Replacement Date have occurred, in which case "Benchmark" shall mean Benchmark Replacement.

Benchmark Replacement means the first alternative set forth in the order below that can be determined by the Calculation Agent or any Independent Adviser on the Benchmark Replacement Date.

(1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment; or

(2) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or

(3) the sum of: (a) the alternate rate of interest that has been selected by the Calculation Agent, or any Independent Adviser, as replacement for the then current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the current Benchmark for U.S. Dollar-denominated floating rate notes and (b) the Benchmark Replacement Adjustment.

Benchmark Replacement Adjustment means the first alternative set forth in the order below that can be determined by the Calculation Agent or any Independent Adviser on the Benchmark Replacement Date:

(1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment;

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Calculation Agent, or any Independent Adviser, giving due consideration to any industry-accepted spread

adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. Dollar-denominated floating rate notes at such time.

Benchmark Replacement Conforming Changes means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Accrual Period", the timing and frequency of determining rates and making payments of interest, rounding of amounts or adjusting tenors, and other administrative matters) that the Calculation Agent, or any Independent Adviser, decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner consistent with market practice (or, if the Calculation Agent, or any Independent Adviser, decides that the adoption of all or any part of such market practice is not administratively feasible or if the Calculation Agent, or any Independent Adviser, determines that no market practice for use of the Benchmark Replacement currently exists, in such manner as the Calculation Agent, or any Independent Adviser, determines as reasonably necessary).

Benchmark Replacement Date means the earliest to occur of the following events with respect to the then-current Benchmark

(i) in the case of paragraph (i) or (ii) of the definition of "Benchmark Index Transition Event", the later of the following two dates: (a) the date of the public statement or publication referred to and (b) the date on which the administrator of the Benchmark Index ceases permanently or indefinitely to provide the Benchmark Index; or

(ii) in the case of paragraph (iii) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

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

Benchmark Transition Event means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that it has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide the Benchmark;

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator of the Benchmark, a resolution authority with jurisdiction over the administrator of the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator of the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the

time of the statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, announcing that the Benchmark is no longer representative.

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

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

ISDA Fallback Rate means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

New York Federal Reserve means the Federal Reserve of the Bank of New York.

Website of the New York Federal Reserve means the website of the New York Federal Reserve, currently accessible at the following address http://www.newyorkfed.org, or any successor website or the website of any successor administrator of SOFR.

SOFR Determination Time with respect to any determination of the Benchmark means, (i) if the Benchmark is SOFR, the SOFR Determination Time and (ii) if the Benchmark is not SOFR, the time determined by the Calculation Agent, or any Independent Adviser, after giving effect to the Benchmark Replacement Conforming Changes.

Relevant Governmental Body means the Board of the New York Federal Reserve (Federal Reserve Board) and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the New York Federal Reserve and/or the Federal Reserve Bank of New York or any successor thereto.

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

Unadjusted Benchmark Replacement means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(G) Where Screen Rate Determination is specified in the relevant Final Terms as being the method applicable for the determination of the Interest Rate and the Benchmark for such Floating Rate Notes is TONA, the Interest Rate shall be determined by the Calculation Agent by one of the following methods:

(x) if TONA *Lookback Compound* is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, subject as provided below, be the TONA-*LOOKBACK-COMPOUND* plus or minus the Margin (if applicable, as specified in the relevant Final Terms); or

(y) if TONA *Shift Compound* is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, subject as provided below, be TONA-*SHIFT-COMPOUND,* plus or minus the Margin (if applicable, as specified in the relevant Final Terms),

Where:

TONA-LOOKBACK-COMPOUND means the rate of return of a daily compound interest investment (with the Tokyo Overnight Average Rate as the reference rate), calculated by the Calculation Agent on the Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\mathrm{TONA}_{i\text{-}pTBD}\times n_i}{365}\right)\text{-}1\right]\times\frac{365}{d}$$

Where:

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

d_o is the number of Tokyo Banking Days in the relevant Interest Accrual Period.

i is a series of whole numbers from one (1) to d_o, each representing the relevant Tokyo Banking Days in chronological order from, and including, the first Tokyo Banking Day in the relevant Interest Accrual Period.

n_i means, for any Tokyo Banking Day "i", the number of calendar days from (and including) such Tokyo Banking Day "i", to (but excluding) the following Tokyo Banking Day "i" ("i+1").

Observation Lookback Period means the observation period specified in the relevant Final Terms.

p means, for each Interest Accrual Period, the number of Tokyo Banking Days in the Observation Lookback Period.

Tokyo Banking Day (TBD) means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Tokyo.

TONA means, in respect of any Tokyo Banking Day, the Tokyo Overnight Average rate for that Tokyo Banking Day, as published by the Bank of Japan, as administrator of that rate (or any successor administrator), on the relevant Screen Page or, if the relevant Screen Page is not available, as otherwise published by the authorised distributors, on the Tokyo Banking Day immediately following that Tokyo Banking Day.

$TONA_{i\text{-}pJBT}$, means, in respect of any Tokyo Banking Day "i" falling in the relevant Interest Accrual Period, the TONA of the Tokyo Banking Day falling "p" Tokyo Banking Days before the relevant Tokyo Banking Day "i".

TONA-SHIFT-COMPOUND means the rate of return of a daily compound interest investment (with the Tokyo Overnight Average Rate as the reference rate), calculated by the Calculation Agent on the Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{TONA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

Where:

d is the number of calendar days in the relevant Observation Period.

d_o is, for any Observation Period, the number of Tokyo Banking Days in the relevant Observation Period .

i is a series of whole numbers from one (1) to d_o, each representing the relevant Tokyo Banking Day in chronological order from (and including) the first Tokyo Banking Day of the relevant Interest Accrual Period;

Tokyo Banking Day means any day on which commercial banks are open in the normal course of business (including for foreign exchange transactions and currency deposits) in Tokyo.

Observation Shift Days means the number of Tokyo Banking Days specified in the relevant Final Terms.

n_i means, for any Tokyo Banking Day "i" falling in the relevant Observation Period, the number of calendar days from (and including) the relevant Tokyo Banking Day "i" , to (but excluding) the following Tokyo Banking Day "i" ("i+1").

Observation Period means, for each Interest Accrual Period, the period beginning on (and including) the date falling the number of Tokyo Banking Days corresponding to the number of Observation Shift Days preceding the first day of the relevant Interest Accrual Period to (but excluding) the date falling the number of Tokyo Banking Days corresponding to the number of Observation Shift Days preceding the Coupon Payment Date for the relevant Interest Accrual Period.

$TONA_i$ means, for any Tokyo Banking Day falling in the relevant Observation Period, the TONA for such Tokyo Banking Day "i".

If, in respect of that Tokyo Banking Day falling on "p" Tokyo Banking Days prior to the relevant Tokyo Banking Day "i", the Calculation Agent (or any other party responsible for the calculation of the Interest Rate, as specified in the Final Terms) determines that the TONA is not available on the relevant Screen Page or has not been published by the relevant authorised distributors, the TONA shall be the TONA relating to the first preceding Tokyo Banking Day on which the TONA has been published by the Bank of Japan (or otherwise published by the relevant authorised distributors).

Notwithstanding the above, if a Benchmark Event occurs for the TONA, Article 5.3(c)(iv) below shall apply.

If the Interest Rate cannot be determined by the Calculation Agent in accordance with the above provisions (or any other party responsible for calculating the Interest Rate, as specified in the Final Terms), the Interest Rate shall be (i) that determined as at the last preceding Coupon Determination Date (though substituting, where a different Margin, or Maximum Interest Rate or Minimum Interest Rate is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, or Maximum Interest Rate or Minimum Interest Rate relating to the relevant Interest Accrual Period) or (ii) if there is no such preceding Coupon Determination Date, the initial Interest Rate that would have applied for the first Interest Accrual Period if the Notes had been issued for a period equal in duration to the first scheduled Interest Accrual Period but ending on, and excluding, the Interest Period Commencement Date (although substituting the Margin, Maximum Interest Rate or Minimum Interest Rate applicable to the first Interest Accrual Period).

Notwithstanding any Coupon Determination Date specified in the Final Terms, if the Notes have matured in accordance with the Conditions, the final Coupon Determination Date shall be deemed to be the date on which the Notes matured and the Interest Rate shall, for so long as the Notes remain in issue, be as determined on that date.

Any determination, decision or election that may be made by the Calculation Agent (or any other party responsible for the calculation of the Interest Rate as specified in the Final Terms) pursuant to this provision, including any determination as to a rate or adjustment or the occurrence or non-occurrence of any event, circumstance or date and any decision to proceed with or refrain from proceeding with any action or election (i) shall be conclusive and binding in the absence of manifest error, (ii) shall be made in the sole discretion of the Calculation Agent (or such other party responsible for the calculation of the Interest Rate as specified in the Final Terms), and (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall be effective without the consent of the holders of the Notes or any other party.

(H) Where Screen Rate Determination is specified in the relevant Final Terms as being the method applicable for the determination of the Interest Rate and the Benchmark for such Floating Rate Notes is SARON, the Interest Rate shall be determined by the Calculation Agent by one of the following methods:

(x) if SARON *Lookback Compound* is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, subject

as provided below, be SARON-LOOKBACK-COMPOUND plus or minus the Margin (if applicable, as specified in the relevant Final Terms); or

(y) if SARON *Shift Compound* is specified as applicable in the relevant Final Terms, the Interest Rate for each Interest Accrual Period shall, subject as provided below, be SARON-SHIFT-COMPOUND plus or minus the Margin (if applicable, as specified in the relevant Final Terms);

Where:

SARON-LOOKBACK-COMPOUND means the rate of return of a daily compound interest investment (with SARON as the reference rate for the purpose of calculating interest), as determined by the Calculation Agent (or any other party responsible for calculating the Interest Rate, as specified in the relevant Final Terms) on the Coupon Determination Date, as specified below, the result as a percentage being rounded, if necessary, to the nearest 5th decimal place, 0.000005 being rounded upwards:

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

Where:

d is the number of calendar days in the relevant Interest Accrual Period.

d_o is, for any Interest Accrual Period, the number of Zurich Banking Days in the relevant Interest Accrual Period.

i is a series of whole numbers from one (1) to d_o, each representing the relevant Zurich Banking Day in chronological order from, and including, the first Zurich Banking Day in the relevant Interest Accrual Period.

n_i means, for any Zurich Banking Day_i falling in the relevant relevant Observation Period, the number of calendar days from and including the relevant Zurich Banking Day_i, to but excluding the next following Zurich Banking Day_i (i+1).

p means, for any Interest Accrual Period, the number of Zurich Banking Days in the Observation "Look-Back" Period.

Observation "Look-Back" Period has the meaning specified in the relevant Final Terms.

$SARON_{i\text{-}pJBZ}$, means, for any Zurich Banking Day_i falling in the relevant Interest Accrual Period, the SARON for the Zurich Banking Day falling "p" Zurich Banking Days before the relevant Zurich Banking Day_i, as communicated by the SARON Administrator to the SARON authorised distributors and published by them for such day at the Relevant Time for SARON (or any other time of publication as specified by the SARON Administrator in the SARON benchmark methodology) on such Zurich Banking Day.

SARON-SHIFT-COMPOUND means the rate of return of a daily compound interest investment (with SARON as reference rate for the purpose

of calculating interest), as determined by the Calculation Agent (or any other party responsible for calculating the Interest Rate, as specified in the relevant Final Terms) on the Coupon Determination Date, as specified below, the result as a percentage being rounded, if necessary, to the nearest 5th decimal place, 0.000005 being rounded upwards::

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

Where:

d is the number of calendar days in the relevant SARON Observation Period.

d_o is, for any SARON Observation Period, the number of Zurich Banking Days in the relevant SARON Observation Period.

i is a series of whole numbers from one (1) to d_o, each representing the relevant Zurich Banking Day in chronological order from and including the first Zurich Banking Day in the relevant SARON Observation Period;
Observation Shift Days means the number of Zurich Banking Days specified in the relevant Final Terms.

n_i means, for any Zurich Banking Day_i falling in the relevant SARON Observation Period, the number of calendar days from and including the relevant Zurich Banking Day_i, to but excluding the next following Zurich Banking Day_i (i+1).

SARON Observation Period means, for each Interest Accrual Period, the period from, and including, the date falling the number of Zurich Banking Days corresponding to the number of Observation Shift Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date falling the number of Zurich Banking Days corresponding to the number of Observation Shift Days prior to the Coupon Payment Date for the relevant Interest Accrual Period.

$SARON_i$ means, for any Zurich Banking Day_i falling in the relevant SARON Observation Period, the SARON for such Zurich Banking Day_i, as communicated by the SARON Administrator to the SARON authorised distributors and published by them for such day at the Relevant Time for SARON (or any other time of publication as specified by the SARON Administrator in the SARON benchmark methodology) on such Zurich Banking Day.

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

If the Calculation Agent or any other entity appointed by the Issuer (acting independently and with the requisite expertise), or failing which the Issuer, determines at any time prior to the Relevant Time for SARON on any Zurich Banking Day that a SARON Index Cessation Event and the corresponding

SARON Index Cessation Effective Date have occurred, the Calculation Agent or any other entity appointed by the Issuer (acting independently and with the requisite expertise), as the case may be, shall determine the SARON Replacement Rate.

If the Calculation Agent or any other entity appointed by the Issuer (acting independently and with the requisite expertise), notifies the Issuer that there is no SARON Recommended Replacement Rate and that the SNB Key Rate on any Zurich Banking Day on which SARON is to be determined has not been published on such Zurich Banking Day (the **Relevant Zurich Banking Day**), the Issuer shall appoint an independent agent of recognised standing and having the required expertise (the **Replacement Rate Determination Agent**) no later than the first Zurich Banking Day on which a SARON Index Cessation Event and the corresponding SARON Index Cessation Effective Date have occurred, and for which the SNB Key Rate has not been published.

The Replacement Rate Determination Agent shall determine whether it is appropriate to use an alternative rate to SARON for the Relevant Zurich Banking Day and for all subsequent Zurich Banking Days in the SARON Observation Period in which the Relevant Zurich Banking Day falls (the **Relevant SARON Observation Period**) and all subsequent SARON Observation Periods.

For the purpose of determining the Interest Rate:

I. the Replacement Rate Determination Agent shall determine: (A) the method for determining the SARON Replacement Rate (including any alternative method for determining the SARON Replacement Rate if such alternative rate is not available on the relevant Coupon Determination Date), in accordance with customary practice in the financial sector for the SARON Replacement Rate, and (B) any adjustment factor necessary for the purpose of comparing the SARON Replacement Rate with the applicable SARON Benchmark, in accordance with customary practice in the financial sector for the SARON Replacement Rate ;

II. for the Relevant Zurich Banking Day and all subsequent Zurich Banking Days in the Relevant SARON Observation Period and all subsequent SARON Observation Periods, references in the Conditions to SARON shall be deemed to be references to the SARON Replacement Rate, including any alternative method for determining such rate and any adjustment factor as described in paragraph I above;

III. the Replacement Rate Determination Agent may at any time make SARON Replacement Conforming Changes in respect of the Notes;

IV. any determination, decision or choice made by the Replacement Rate Determination Agent in accordance with this Condition 5.3(c)(iii)(H), including any SARON Replacement Conforming Changes, or relating to the occurrence or not of any event, circumstance or date, and any decision to take or to refrain from taking any measure or making any choice, in each case, solely with regard to the relevant Notes, shall be contractually applicable, in the absence of manifest error and shall be performed by the Replacement Rate Determination Agent acting in good faith and in a commercially reasonable manner;

V. to the extent that there is any inconsistency between this Condition and any other Condition, this Condition 5.3(c)(iii)(H) shall prevail with respect to the Notes for which the Interest Rate is calculated in accordance with this Condition 5.3(c)(iii)(H) ;

VI. the Calculation Agent may determine that it is appropriate for a SARON Replacement Rate to replace the SARON Benchmark then in force and to apply any SARON Replacement Conforming Changes in connection with any SARON Index Cessation Event ; and

VII. where a SARON Index Cessation Event or the details thereof have been announced prior to the relevant SARON Index Cessation Effective Date, the Replacement Rate Determination Agent may, on or after such prior announcement date, notify the Noteholders, in accordance with Condition 14, of the changes to be made to the Notes, provided that such changes shall not take effect until after the SARON Index Cessation Effective Date.

Any determination, decision or choice made by the Calculation Agent, the Replacement Rate Determination Agent or any other entity appointed by the Issuer in accordance with this Condition 5.3(c)(iii)(H), as the case may be, including any determination relating to a rate or an adjustment or the occurrence or not of any event, circumstance or date, and any decision to take or to refrain from taking any measure or making any choice: (i) shall be contractually applicable in the absence of manifest error; (ii) shall be taken at the sole discretion of the Calculation Agent, the Replacement Rate Determination Agent or any other party responsible for calculating the Interest Rate, as specified in the Final Terms, as the case may be; and (iii) notwithstanding any provision to the contrary in the Conditions, shall take effect without the need for consent to such change from the Noteholders or any other party.

For the purpose of this Condition 5.3 (c)(iii)(H):

SARON Recommended Adjustment Spread means, with respect to any SARON Recommended Replacement Rate:

(a) the spread (which may be positive, negative or zero), or formula or methodology for calculating such a spread, that the Recommending Body has recommended be applied to such SARON Recommended Replacement Rate in the case of fixed income securities with respect to which such SARON Recommended Replacement Rate has replaced the *Swiss Average Rate Overnight* as the reference rate for the purposes of determining the applicable interest rate; or

(b) if the Recommending Body has not recommended such a spread, formula or methodology in accordance with paragraph (a) above, to be applied to such SARON Recommended Replacement Rate, for the purposes of determining SARON, the Calculation Agent shall, acting in good faith and in a commercially reasonable manner, determine the spread in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the *Swiss Average Rate Overnight* with such SARON Recommended Replacement Rate. The Calculation Agent shall have regard to financial sector-accepted practices for fixed income securities with respect to which the SARON Recommended Replacement Rate has replaced the

Swiss Average Rate Overnight as the reference rate for the purposes of determining the applicable interest rate;

SARON Recommended Replacement Rate means the rate which has been recommended to replace the *Swiss Average Rate Overnight* by any working group or committee in Switzerland organised in the same or in a similar manner as the National Working Group on benchmark interest rates founded in 2013 with the aim, amongst others, of examining proposals for the reform of benchmark interest rates in Switzerland (any such working group or committee of such nature being referred to as the **Recommending Body**);

SARON means, in respect of any Zurich Banking Day:

(a) the *Swiss Average Rate Overnight* for such Zurich Banking Day published by the SARON Administrator on the relevant Screen Page (or any other replacement page displaying such information) at the Relevant Time for SARON;

(b) if such rate is not published on the relevant Screen Page at the Relevant Time for SARON on such Zurich Banking Day, other than due to a SARON Index Cessation Event in respect of which a SARON Index Cessation Effective Date has occurred at the Relevant Time for SARON on or prior to such Zurich Banking Day, the *Swiss Average Rate Overnight* published on the relevant Screen Page on the nearest preceding Zurich Banking Day on which the *Swiss Average Rate Overnight* was published on the relevant Screen Page; or

(c) if such rate has not been published on the relevant Screen Page at the Relevant Time for SARON on such Zurich Banking Day due to a SARON Index Cessation Event in respect of which a SARON Index Cessation Effective Date has occurred at the Relevant Time for SARON on or prior to such Zurich Banking Day, the SARON Replacement Rate determined in accordance with this Condition 5.3(c)(iii)(H);

SARON Administrator means SIX Swiss Exchange AG (or any other successor administrator);

SARON Benchmark Index means initially SARON-LOOKBACK-COMPOUND or SARON-SHIFT-COMPOUND, provided that if a SARON Index Cessation Event and the corresponding SARON Index Cessation Effective Date have occurred with respect to the then applicable SARON Benchmark Index, the expression "SARON Benchmark Index" shall mean the applicable SARON Replacement Rate.

SARON Index Cessation Effective Date means the first of the following two dates:

(a) in the case of the occurrence of a SARON Index Cessation Event described in paragraph (a) of the definition thereof, the date on which the SARON Administrator ceases to provide the *Swiss Average Rate Overnight*,

(b) in the case of the occurrence of a SARON Index Cessation Event described in paragraph (b)(x) of the definition thereof, the latest of:

(i) the date of such statement or publication;

(ii) the date, if any, specified in such statement or publication as the date on which the *Swiss Average Rate Overnight* will no longer be representative; and

(iii) if a SARON Index Cessation Event, described in paragraph (b)(y) of the definition thereof has occurred on or prior to either or both dates specified in sub-paragraphs (i) and (ii) of this sub-paragraph (b), the date as of which the *Swiss Average Rate Overnight* may no longer be used; and

(c) in the case of the occurrence of a SARON Index Cessation Event described in paragraph (b)(y) of the definition thereof, the date as of which the *Swiss Average Rate Overnight* may no longer be used.

SARON 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 SARON Administrator, or by any competent authority, announcing or confirming that the SARON Administrator has ceased, or will cease, to provide the *Swiss Average Rate Overnight* permanently or indefinitely, provided that at the time of such statement or publication, there is no successor administrator that will continue to provide the *Swiss Average Rate Overnight* ; or

(b) a public statement or publication of information by the SARON Administrator or by any competent authority announcing that (x) the *Swiss Average Rate Overnight* is, or will as of a certain date, no longer be representative, or (y) the *Swiss Average Rate Overnight* may no longer be used after a certain date, which statement, in the case of sub-paragraph (y), is applicable (but not necessarily limited) to fixed income securities and derivatives.

Relevant Time for SARON means, on any Zurich Banking Day, the close of trading on the trading platform SIX Repo AG (or its successor) on such Zurich Banking Day, meaning approximately 18.00 (Zurich time);

SARON Replacement Rate means the first alternative presented in the order below as determined by the Calculation Agent or, if relevant, the Replacement Rate Determination Agent on the SARON Index Cessation Effective Date:

(a) the SARON Recommended Replacement Rate for such Zurich Banking Day, and the corresponding SARON Recommended Adjustment Spread, if relevant, published on such Zurich Banking Day;

(b) the key rate of the Swiss National Bank (the **SNB Key Rate**) for such Zurich Banking Day, factoring in, if relevant, the SNB Adjustment Spread; or

(c) the alternative interest rate selected by the Replacement Rate Determination Agent to replace the then applicable SARON Benchmark Index, in other words the financial sector-accepted replacement rate or, if no such rate exists, the rate it has selected as being the closest in comparison to the *Swiss Average Rate Overnight*;

SARON Replacement Conforming Changes means, with respect to any SARON Replacement Rate, any technical, administrative or operational changes (including, without limitation, changes to the timing and frequency of determining rates for each interest period and making payments of interest, rounding of amounts or tenors, day count fractions, business day conventions changes to any other conditions and other administrative matters) that the Replacement Rate Determination Agent decides may be appropriate to reflect the adoption of such SARON Replacement Rate in a manner substantially consistent with market practice (or, if the Replacement Rate Determination Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Replacement Rate Determination Agent determines that no market practice for use of the SARON Replacement Rate exists, in such other manner as the Replacement Rate Determination Agent or Calculation Agent, as the case may be, determines is reasonably necessary, acting in good faith and in a commercially reasonable manner);

SNB Adjustment Spread means, for the purpose of the SNB Key Rate, the spread applicable to the SNB Key Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the *Swiss Average Rate Overnight* with the SNB Key Rate for the purpose of determining SARON, such spread to be determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner, taking into account the historic median between the *Swiss Average Rate Overnight* and the SNB Key Rate during the period of two years ending on the date on which the SARON Index Cessation Event occurred (or, if more than one SARON Index Cessation Event occurred, the date on which the first of such events occurred); and

Zurich Banking Day means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Zurich.

(I) Notwithstanding the provisions of paragraphs (A), (B) (C), (D), (E), (F) (G) and (H) above, if the major source for the Floating Rate is a Screen Page and the Benchmark is specified as being CMS Rate, the Interest Rate for each Interest Accrual Period will, subject as provided below or in Condition 5.3(c)(iv) below, be determined by the Calculation Agent based on the annual rate applicable to a swap for a swap in the Specified Currency which maturity is the Specified Period, expressed on percentage, as it appears on the Screen Page at the Specified Time on the relevant Coupon Determination Date and increased or decreased, as the case may be (as specified in the relevant Final Terms) with the Margin (the **CMS Rate**).

If the Relevant Screen Page is not available, the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate at approximately the Specified Time on the Coupon Determination Date. If at least three of the CMS Reference Banks provide the Calculation Agent with such quotations, the CMS Rate for such Interest Accrual Period shall be the arithmetic mean of such quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

If on any Coupon Determination Date less than three or none of the CMS Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent on such commercial basis as considered appropriate by the Calculation Agent in its absolute discretion, in accordance with standard market practice.

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

Relevant Swap Rate means:

(i) where the Specified Currency is Euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Specified Duration commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) with a Specified Duration determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions;

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

Representative Amount means an amount that is representative for a single transaction in the relevant market at the relevant time.

(iv) Benchmark discontinuation

Where the method applicable for the determination of the Interest Rate specified in the relevant Final Terms is Screen Rate Determination, if a Benchmark Event occurs in relation to an Original Reference Rate at any time when the Terms and Conditions of any Notes provide for any rate of interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply and prevail over other fallbacks specified in Condition 5.3(c)(iii), provided that this Condition 5.3(c)(iv) shall not apply if the Relevant Rate is €STR, SONIA or SOFR.

(A) Independent Adviser

The Issuer shall use reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5.3(c)(iv)(B)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 5.3(c)(iv)(C)) and any Benchmark Amendments (in accordance with Condition 5.3(c)(iv)(D)).

An Independent Adviser appointed pursuant to this Condition 5.3(c)(iv) shall act in good faith as an expert and (in the absence of manifest error or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the Calculation Agent or any other party responsible for determining

the Interest Rate specified in the applicable Final Terms, or the Noteholders for any determination made by it pursuant to this Condition 5.3(c)(iv).

(B) Successor Rate or Alternative Rate

If the Independent Adviser determines in good faith that:

I. there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5.3(c)(iv)(D)) subsequently be used in place of the Original Reference Rate to determine the relevant Interest Rate(s) (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5.3(c)(iv)); or

II. there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5.3(c)(iv)(D)) subsequently be used in place of the Original Reference Rate to determine the relevant Interest Rate(s) (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5.3(c)(iv)).

(C) Adjustment Spread

If the Independent Adviser determines in good faith (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Interest Rate (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(D) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5.3(c)(iv) and the Independent Adviser determines in good faith (i) that amendments to the Terms and Conditions of the Notes (including, without limitation, amendments to the definitions of Day Count Fraction, Business Days or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5.3(c)(iv)(E), without any requirement for the consent or approval of Noteholders, vary the Terms and Conditions of the Notes to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5.3(c)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

After a Successor Rate or Alternative Rate has been determined, the fallbacks specified in Condition 5.3(c)(iii) shall apply to the Successor Rate or the

Alternative Rate, or as the case may be, if a Benchmark Event occurs, the Successor Rate or Alternative Rate shall be treated as the Original Reference Rate for the purposes of this Condition 5.3(c)(iv).

(E) Notices, etc.

The Issuer shall, after receiving such information from the Independent Adviser, notify the Fiscal Agent, the Calculation Agent, the Paying Agents, the Representative (if any) and, in accordance with Condition 14, the Noteholders, promptly of any Successor Rate, Alternative Rate, Adjustment Spread and of the specific terms of any Benchmark Amendments, determined under this Condition 5.3(c)(iv). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(F) Fallbacks

If, following the occurrence of a Benchmark Event and in relation to the determination of the Interest Rate on the immediately following Coupon Determination Date, no Successor Rate or Alternative Rate (as applicable) is determined pursuant to this provision, the fallbacks for the Original Reference Rate specified in Condition 5.3(c)(iii), namely the Interest Rate determined on the preceding Coupon Determination Date will continue to apply to such determination (after adjustment for any difference in Margin, Rate Multiplier, or Maximum or Minimum Interest Rate applicable to the previous Interest Accrual Period and to the applicable Interest Accrual Period specified, if any, in the relevant Final Terms).

In such circumstances, the Issuer will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of this Condition 5.3(c)(iv), *mutatis mutandis*, on one or more occasions until a Successor Rate or Alternative Rate (and, if applicable, any associated Adjustment Spread and/or Benchmark Amendments) has been determined and notified in accordance with this Condition 5.3(c)(iv) (and, until such determination and notification (if any), the fallback provisions provided elsewhere in these Terms and Conditions including, for the avoidance of doubt, the fallbacks specified in Condition 5.3(c)(iii), will continue to apply in accordance with their terms unless a Benchmark Event occurs).

(G) Definitions

In this Condition 5.3(c)(iv):

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

(i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the

replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;

(ii) in the case of an Alternative Rate (or in the case of a Successor Rate where (i) above does not apply), is determined by the Independent Adviser and is in customary market usage in the international debt capital market for transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate (or, as the case may be, the Successor Rate); or

(iii) if no such recommendation or option has been made (or made available), or the Independent Adviser determines there is no such spread, formula or methodology in customary market usage, the Independent Adviser, acting in good faith, determines to be appropriate.

Independent Adviser means an independent financial institution of international repute or an independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense under Condition 5.3(c)(iv)(A).

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

(i) the Original Reference Rate ceasing to exist or be published;

(ii) the later of (a) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (b) the date falling six (6) months prior to the date referred to in (a);

(iii) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;

(iv) the later of (a) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (b) the date falling six (6) months prior to the specified date referred to in (a)

(v) (A) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate, or by any relevant competent authority or any other relevant official body pursuant to the Benchmarks Regulation, or (B) the effect of the application of the Benchmarks Regulation, having the consequence that: (1) the use of the Original Reference Rate will be prohibited; (2) the Original Reference Rate is no longer (or will no longer be) representative of an underlying market; (3) the use of the Original Reference Rate will be subject to restrictions or adverse consequences; or (4) the addition of a new reference to the Original Reference Rate will be prohibited;

provided that the Benchmark Event shall occur on the date on which: (I) the use of the Original Reference Rate is prohibited (assuming, in the case of a public statement by any relevant competent authority or any other relevant official body pursuant to the Benchmarks Regulation, that the Issuer has not published (within six months from the date of the relevant public statement) a statement on its website providing a reasoned explanation as to why it is impossible to replace the Original Reference Rate) (II) the Original Reference Rate is deemed no longer to be representative; (III) the Original Reference Rate becomes subject to restrictions or adverse consequences; or (IV) the addition of a new reference to the Original Reference Rate is prohibited, and not (in each such case) on the date of the relevant public statement, unless the date of the relevant public statement coincides with the relevant date referred to in paragraphs (1), (2), (3) or (4) above (as applicable);

(vi) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the methodology for calculating such Original Reference Rate, in the opinion of the supervisor, has been materially changed;

(vii) it has or will prior to the next Coupon Determination Date, become unlawful for the Issuer, the party responsible for determining the Interest Rate (being the Calculation Agent or such other party specified in the applicable Final Terms, as applicable), or any Paying Agent to calculate any payments due to be made to any Noteholder using the Original Reference Rate (including, without limitation, under Regulation (EU) 2016/1011, as amended (the **Benchmarks Regulation**), if applicable); or

(viii) that a decision to withdraw the authorisation or registration pursuant to Article 35 of the Benchmarks Regulation, of any benchmark administrator previously authorised to publish such Original Reference Rate has been adopted,

on the understanding that with respect to the TONA, for the purposes of this definition, the references to the administrator's supervisor and to the administrator, shall be deemed to be references to the Bank of Japan and that Item (viii) does not apply.

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

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

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

supervisory authorities or (d) the Financial Stability Board or any part thereof.

Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5.3(c)(iv) and which is customary market usage in the international debt capital markets for the purposes of determining interest rates (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes.

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

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

5.4 Interest on Fixed/Floating Rate Notes

Each Fixed/Floating Rate Note bears interest at a rate that, at the date specified in the relevant Final Terms (the **Date of Change of Interest Basis**):

(a) may be converted at the Issuer's option, from a fixed rate to a floating rate (among the types of Floating Rate Notes mentioned in Condition 5.3(c) above) or from a floating rate to a fixed rate (the **Issuer Optional Change of Interest Basis**), provided that the Issuer Optional Change of Interest Basis shall be deemed to apply after the Issuer has given the Noteholders notice thereof, the period of notice being specified in the relevant Final Terms, in accordance with Condition 14 ; or

(b) which shall be automatically converted from a fixed rate to a floating rate or from a floating rate to a fixed rate (**Automatic Change of Interest Basis**).

5.5 Zero Coupon Notes

Where a Zero Coupon Note is redeemable prior to its Maturity Date by exercise of an Option of Redemption of the Issuer (as described in Condition 6.3 below) or, if so specified in the relevant Final Terms, pursuant to Condition 6.5 or in any other manner, and such Note is not redeemed on the due date, the amount due and payable prior to the Maturity Date shall be the Optional Redemption Amount or the Early Redemption Amount, as the case may be. As from the Maturity Date, the overdue principal of such Note shall bear interest at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 6.5(a)).

5.6 Accrual of interest

Interest shall cease to accrue on each Note on the due date for redemption unless (a) on such due date, in the case of Dematerialised Notes or (b) upon due presentation, in the case of Materialised Notes, repayment of principal is improperly withheld or refused, in which event interest shall continue to accrue (after as well as before judgment) at the Interest Rate in the manner provided in Condition 5 up to the Relevant Date.

5.7 Margin, Rate Multiplier, Minimum and Maximum Interest Rate, Instalment Amounts and Rounding

(a) If a Margin or a Rate Multiplier is specified in the relevant Final Terms, (either (x) generally or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Interest Rates, in the case of (x), or the Interest Rates applicable to the relevant Interest Accrual Periods, in the case of (y), calculated in accordance with paragraph (c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin or multiplying the Interest Rate by the Rate Multiplier, subject always to the provisions of the following paragraph.

(b) If any Minimum or Maximum Interest Rate or Instalment Amount is specified in the relevant Final Terms, then any Interest Rate or Instalment Amount shall be subject to such maximum or minimum, as the case may be, provided that under no circumstances may the Coupon Amount be less than zero (0).

(c) For the purposes of any calculations required pursuant to these Terms, (i) if FBF Determination is specified in the relevant Final Terms, all percentages resulting from such calculations shall be rounded, if necessary, to the nearest ten-thousandth of a percentage point (with halves being rounded up) (ii) otherwise all percentages resulting from such calculations shall be rounded, if necessary, to the nearest fifth decimal (with halves being rounded up), (iii) all figures shall be rounded to seven figures (with halves being rounded up) and (iv) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen. For these purposes, unit means the lowest amount of such currency that is available as legal tender in the country of such currency.

5.8 Calculations

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Interest Rate and the outstanding nominal amount of such Note by the Day Count Fraction, unless a Coupon Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Coupon Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

5.9 Determination and publication of Interest Rates, Coupon Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts

As soon as practicable after the Relevant Time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Coupon Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period. It shall also calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be. It shall then cause the Interest Rate and the Coupon Amounts for each Interest Period and the relevant Interest Payment Date and, if required, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents and any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information. If the Notes are admitted to trading on a regulated market and the rules of such market so require, it shall also notify such information to such market and/or the Noteholders as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such date, in the case of notification to such market of an Interest Rate and Coupon Amount, or (ii) in all other cases, no later

than the fourth Business Day after such determination. Where any Interest Payment Date or Interest Accrual Period Date is subject to adjustment pursuant to Condition 5.3(b), the Coupon Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

5.10 Calculation Agent and Reference Banks

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with at least one office in the Relevant Financial Centre, except for Notes in respect of which €STR, SONIA, SOFR, TONA or SARON are the applicable Benchmarks, and one or more Calculation Agents if so specified in the relevant Final Terms and for so long as any Note is outstanding (as defined in Condition 3 above). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall, except for Notes in respect of which €STR, SONIA, SOFR, TONA or SARON are the applicable Benchmarks, appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Terms to the Calculation Agent shall be construed as a reference to each Calculation Agent performing its respective duties under these Terms. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for an Interest Period or Interest Accrual Period or to calculate any Coupon Amount, Instalment Amount, Final Redemption Amount, Optional Redemption Amount or Early Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment bank operating in the interbank market (or, if appropriate, money market, or swaps market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed in the manner described above.

6. REDEMPTION, PURCHASE AND OPTIONS

6.1 Redemption at maturity

Unless previously redeemed, or purchased or cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at the Final Redemption Amount (which, unless otherwise provided, equals its nominal amount (except for Zero Coupon Notes)) specified in the relevant Final Terms or, in the case of a Note falling within Condition 6.2 below, its final Instalment Amount.

6.2 Redemption by instalments

Unless previously redeemed or purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, by such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the date specified for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

6.3 Redemption at the option of the Issuer

If Issuer call is specified in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all applicable laws, regulations and directives, and on giving not less than 30 and not more

than 60 calendar days' irrevocable notice to the Noteholders in accordance with Condition 14 (or any other notice period as may be specified in the relevant Final Terms), redeem all or, if so provided, some of the Notes, as the case may be, on any Option Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified in the relevant Final Terms together with interest accrued to the date fixed for redemption in the relevant Final Terms. Any such redemption must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed as specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed as specified in the relevant Final Terms.

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

In the case of a partial redemption by the Issuer in respect of Materialised Notes of the same series, the notice to holders of such Materialised Notes must also indicate the number of Physical Notes to be redeemed. The Notes must have been selected in such manner as is fair and objective in the circumstances, taking account of prevailing market practices and in accordance with all applicable stock market laws and regulations.

In the case of a partial redemption by the Issuer in respect of Dematerialised Notes of any one Series, the redemption shall be made by application of a pool factor (meaning a reduction of the nominal amount of such Dematerialised Notes pro rata the nominal amount redeemed).

6.4 Redemption at the option of the Noteholders

If Noteholders put is specified in the relevant Final Terms, the Issuer shall, at the option of the holder of any such Note and upon giving not less than 30 and not more than 60 calendar days' irrevocable notice to the Issuer (or any other notice period as may be specified in the relevant Final Terms), redeem such Note on the Optional Redemption Date(s) at the Optional Redemption Amount specified in the applicable Final Terms together with interest accrued to the date fixed for redemption in the relevant Final Terms. In order to exercise such option, the Noteholder must deposit with a Paying Agent at its specified office by the required deadline a duly completed option exercise notice (the **Exercise Notice**) in the form obtainable during normal office hours from the Paying Agent or Registration Agent, as the case may be. In the case of Materialised Notes, the relevant Notes (together with all unmatured Receipts and Coupons and unexchanged Talons) must be attached to the Exercise Notice. In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paying Agent, as specified in the Exercise Notice. No option that has been exercised or, if relevant, no Note that has been deposited or transferred may be withdrawn without the prior written consent of the Issuer.

6.5 Early Redemption

(a) Zero Coupon Notes

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6.6 or 6.9 or upon it becoming due and payable as provided in Condition 9, shall be calculated as provided below.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Early Redemption Amount of any such Zero Coupon Note shall be equal to the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if a rate is not specified in the relevant Final Terms, shall be such rate as would result in an Early Redemption Amount equal to the Issue Price of the Notes if discounted back to their Issue Price on the Issue Date) compounded annually.

(iii) If the Early Redemption Amount payable in respect of each Note upon its redemption pursuant to Condition 6.6 or 6.9 or upon it becoming due and payable in accordance with Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as if the reference therein to the date on which the Early Redemption Amount becomes due and payable were a reference to the Relevant Date. The calculation of the Early Redemption Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date, together with any interest that may accrue in accordance with Condition 5.5. Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of one of the Day Count Fractions mentioned in Condition 5.1 and specified in the relevant Final Terms.

(b) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes referred to in paragraph (a) above), upon redemption pursuant to Condition 6.6 or 6.9 or upon it becoming due and payable pursuant to Condition 9, shall be the Final Redemption Amount plus all accrued interests until the date fixed for redemption in the relevant Final Terms.

6.6 Redemption for tax reasons

(a) If, at the time of any redemption of principal or payment of interest, the Issuer is obliged to pay additional amounts in accordance with Condition 8.2 below, by reason of any change in or amendment to the laws and regulations in France, or any change in the official application or interpretation thereof, made after the Issue Date, the Issuer may (having given notice to the Noteholders in accordance with Condition 14, at the earliest 45 calendar days and at the latest 30 calendar days prior to such payment (which notice shall be irrevocable)) redeem, on any Interest Payment Date or, if specified in the applicable Final Terms, at any time, all but not some only of the Notes at the Early Redemption Amount together with, all interest accrued until the date fixed for redemption, provided that the due date for redemption of which notice hereunder shall be given shall not be earlier than the latest practicable date on which the Issuer could make a payment of principal and/or interest without withholding or deduction for French taxes.

(b) If, on the occasion of the next redemption of principal or payment of interest in respect of the Notes, the Issuer would be prevented by French law from making payment of the full amount then due and payable to the Noteholders and Couponholders, notwithstanding the undertaking to pay additional amounts in accordance with Condition 8.2 below, the Issuer shall forthwith give notice of such fact to the Fiscal Agent. The Issuer shall, having given 7 calendar days' notice to the Noteholders in accordance with Condition 14, redeem all, and not some only, of the Notes then outstanding at their Early Redemption Amount, together with all interest accrued up to the date fixed for redemption, on (i) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount due and payable on the Notes, provided that if the notice referred to above would expire after such Interest Payment Date, the date for redemption to the Noteholders shall be the later of (A) the latest practicable date on which the Issuer could make payment of the full amount then due and payable on the Notes, Receipts or Coupons and (B) 14 calendar days after giving notice to the Fiscal Agent or (ii) if so specified in the relevant Final Terms, at any time, provided that the due date for redemption of which notice hereunder is given shall be the latest practicable date on which the Issuer could make payment of the full amount due and payable in respect of the Notes and, if relevant, any Receipts or Coupons or, if that date is passed, as soon as practicable thereafter.

6.7 Purchases

The Issuer may at any time purchase Notes on the stock market or otherwise (including pursuant to a purchase offer) at any price (provided however that, in the case of Materialised Notes, all unmatured Receipts and Coupons, and all unexchanged Talons relating thereto, are attached to or surrendered with such Materialised Notes), in accordance with applicable laws and regulations.

The Final Terms shall specify if Notes purchased by the Issuer may be retained in accordance with applicable laws and regulations or cancelled in accordance with Condition 6.8 below.

6.8 Cancellation

All Notes redeemed or purchased for cancellation in accordance with Condition 6.7 above, by or on behalf of the Issuer, shall be cancelled, in the case of Dematerialised Notes, by transfer to an account pursuant to the rules and procedures of Euroclear France, and in the case of Materialised Notes, by delivery to the Fiscal Agent of the relevant Temporary Global Certificate or the Physical Notes in question, together with all unmatured Coupons and Receipts and all unexchanged Talons attached to such Notes, if relevant, and in each case, if so transferred and surrendered, all such Notes shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights in respect of payment of interest and other amounts in respect of such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Coupons and Receipts and all unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, as the case may be, transferred or surrendered for cancellation may not be re-issued or re-sold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6.9 Illegality

If, by virtue of the introduction of any new law or regulation in France, any change of law or other mandatory provision or any change in the interpretation thereof by any French court or administrative authority, which takes effect after the Issue Date, it becomes unlawful for the Issuer to perform or comply with its obligations under the Notes, the Issuer shall, having given notice to the Noteholders in accordance with Condition 14, at the earliest 45 calendar days and at the latest 30 calendar days prior to such payment (which notice shall be irrevocable), redeem all and not some only of the Notes at the Early Redemption Amount together with all interest accrued up to the date fixed for redemption.

7. PAYMENTS AND TALONS

7.1 Dematerialised Notes

Any payment of principal or interest in respect of Dematerialised Notes shall be made (a) in the case of Dematerialised Notes in bearer form (au porteur) or in administered registered form (au nominatif administré), by transfer to an account denominated in the Specified Currency held with the Account Holders for the benefit of the Noteholders, and (b) in the case of Dematerialised Notes in pure registered form (au nominatif pur), by transfer to an account denominated in the Specified Currency, held with a Bank (as defined below) designated by the relevant Noteholder. The Issuer's payment obligations shall be discharged upon such payments being duly made to such Account Holders or such Bank.

7.2 Physical Notes

(a) Method of payment

Subject as provided below, any payment in a Specified Currency shall be made by credit or transfer to an account denominated in the Specified Currency or to which the Specified Currency may be credited or transferred (which, in the case of a payment in Yen to a non-resident of Japan, shall be a non-resident account) held by the beneficiary or, at the option of the beneficiary, by cheque denominated in the Specified Currency drawn on a bank located in the principal financial centre of the country of the Specified Currency (which, if the Specified

Currency is the euro, shall be a country within the Euro-zone and if the Specified Currency is the Australian dollar or New Zealand dollar, shall be Sydney or Auckland respectively).

(b) Presentation and surrender of Physical Notes, Receipts and Coupons

Any payment of principal in respect of Physical Notes, shall (subject as provided below) be made in the manner described in paragraph (a) above solely upon presentation and surrender (or, in the case of a partial payment of an outstanding amount, upon endorsement) of the relevant Notes and any payment of interest in respect of Physical Notes shall (subject as provided below) be made in the manner described above solely upon presentation and surrender (or, in the case of a partial payment of an outstanding amount, upon endorsement) of the relevant Coupons, in each case at the specified office of any Paying Agent located outside the United States of America (such term meaning for the purposes hereof the United States of America (including the States and District of Columbia, their territories, possessions and other places under its jurisdiction)).

Any instalment of principal in respect of Physical Notes, other than the last payment, shall, where appropriate, (subject as provided below) be made in the manner described in paragraph (a) above solely upon presentation and surrender (or, in the case of a partial payment of an outstanding amount, upon endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the last instalment shall be made in the manner described in paragraph (a) above solely upon presentation and surrender (or, in the case of a partial payment of an outstanding amount, upon endorsement) of the relevant Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment with the related Physical Note. Any relevant Receipt presented for payment without the related Physical Note shall render the Issuer's obligations null and void.

Unmatured Receipts relating to Physical Notes (whether or not attached) shall, where appropriate, become void and no payment shall be made in respect thereof on the date on which such Physical Notes become due.

Fixed Rate Notes represented by Physical Notes must be surrendered for payment together with all unmatured Coupons appertaining thereto (such expression including, for the purposes hereof, Coupons to be issued in exchange for matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of a partial payment, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the amount due. Any amount of principal so deducted shall be paid in the manner described above against surrender of the missing Coupon before the 1 January of the fourth year following the due date for payment of such amount, and not under any circumstances thereafter.

Where a Fixed Rate Note represented by a Physical Note becomes due prior to its Maturity Date, unmatured Talons appertaining thereto become void and no further Coupons shall be delivered.

Where a Floating Rate Note represented by a Physical Note becomes due prior to its Maturity Date, unmatured Coupons and Talons (if any) appertaining thereto (whether or not attached) become void and no payment shall be made or, if relevant, no further Coupons shall be delivered in respect thereof.

If a Physical Note is redeemed on a date that is not an Interest Payment Date, the interest (if any) accrued on such Note since the previous Interest Payment Date (included) or, as the case may be, the Interest Period Commencement Date (included) shall be paid only upon presentation and surrender (if relevant) of the related Physical Note.

7.3 Payments in the United States of America

Notwithstanding the foregoing, if any Materialised Note is denominated in U.S. dollars, payments in respect thereof may be made at the specified office designated by any Paying Agent in New York in the same manner as provided above if (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (b) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (c) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

7.4 Payments subject to fiscal laws

All payments shall be subject to any laws, regulations and directives, including fiscal, or other laws and regulations which the Issuer or its Paying Agents are required to comply with, applicable without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders, Receiptholders or Couponholders in respect of such payments.

7.5 Appointment of Agents

The Fiscal Agent, the Paying Agents, the Calculation Agent and the Registration Agent initially appointed by the Issuer and their respective specified offices are listed at the end of this Base Prospectus. The Fiscal Agent, the Paying Agents and the Registration Agent act solely as agents of the Issuer, and the Calculation Agents solely as independent experts, and under no circumstances do any of them assume any obligation or relationship of agency for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any Paying Agent, Calculation Agent or Registration Agent and to appoint any other Fiscal Agent, Paying Agent(s), Calculation Agent(s) or Registration Agent(s) or any additional Paying Agent(s), Calculation Agent(s) or Registration Agent(s), provided that the Issuer shall at all times maintain (a) a Fiscal Agent, (b) one or more Calculation Agents, where the Terms so require, (c) a Paying Agent with specified offices in at least two major European cities (providing fiscal agency services in respect of the Notes in France so long as any Notes are admitted to trading on Euronext Paris and applicable market regulations so require), (d) in the case of Dematerialised Notes in pure registered form (au nominatif pur), a Registration Agent and (e) any other agent that may be required under the rules of any Regulated Market on which the Notes may be admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated U.S. dollars in the circumstances described in Condition 7.3 above.

Notice of any such change or of any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 14.

7.6 Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).

7.7 Business Days

If any date for payment in respect of any Note or Coupon is not a business day (as defined below), the Noteholder, or Couponholder shall not be entitled to payment until the next following business day, nor to any other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or Sunday) (a) (i) in the case of Dematerialised Notes, on which Euroclear France is operating, or (ii) in the case of Materialised Notes, on which banks and foreign exchange

markets are open for business in the relevant place of presentation of the note for payment, (b) on which banks and foreign exchange markets are open for business in the countries specified as "Financial Centres" in the relevant Final Terms and (c) (i), in the case of a payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in the Specified Currency, a day on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii), in the case of a payment in euros, a day which is a T2 Business Day.

7.8 Bank

For the purposes of this Condition 7, **Bank** means a bank established in the principal financial centre of the country in which the Specified Currency is the lawful currency, or in the case of payments in euro, in a city in which banks have access to T2.

8. TAXATION

8.1 Withholding

All payments of principal, interest and other similar income made by or on behalf of the Issuer in respect of the Notes, Receipts or Coupons shall be made free and clear of, and without withholding or deduction for, any taxes or duties of any kind imposed, levied or collected by or on behalf of France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

8.2 Additional Amounts

If French law should require that payments of principal, interest or other similar income in respect of any Note, Receipt or Coupon are to be subject to withholding or deduction for any taxes or duties of any kind, present or future, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as may be necessary for the Noteholders, Receiptholders and Couponholders to receive the full amount that would have been payable in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon in the following cases:

(a) **Other connection**: the Noteholder, Receiptholder or Couponholder, or any third party acting on his behalf, is liable to such tax or duty in France by reason of having some connection with France other than the mere holding of the Notes, Receipts or Coupons; or

(b) **More than 30 calendar days have passed since the Relevant Date**: in the case of Materialised Notes, more than 30 calendar days have passed since the Relevant Date, except where the holder of such Notes, Receipts or Coupons would have been entitled to an additional amount on presentation of the same for payment on the last day of such 30 day period.

References in this Condition to (i) principal shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 as completed by the relevant Final Terms, (ii) interest shall be deemed to include all Coupon Amounts and all other amounts payable pursuant to Condition 5 as completed by the relevant Final Terms and (iii) principal and/or interest and/or similar income shall be deemed to include any additional amounts that may be payable under this Condition.

9. EVENTS OF DEFAULT

If any of the following events occurs (each constituting an **Event of Default**), (i) the Representative (as defined in Condition 11) acting on its own or upon request of any Noteholder, may, upon written notice given on behalf of the Masse (as defined in Condition 11) by registered letter with acknowledgment of receipt to the Issuer, with a copy to the Fiscal Agent and the Guarantors, before the relevant default has been remedied, cause all of the Notes (but not some only) to become immediately due and payable; or (ii) if there is no Representative, any Noteholder may, upon written notice by registered letter with acknowledgment of receipt to the Issuer with a copy to the Fiscal Agent, cause all of the Notes (but not some only) to become immediately due and payable at the Early Redemption Amount together with all accrued interest up to the actual date of redemption, without the necessity for any prior formal demand:

(a) if the Issuer defaults in any payment of principal or interest due under any Note, Receipt or Coupon or, where applicable, the increase provided in case of withholding or deduction which the Notes become subject for a period of more than fifteen (15) calendar days from such due date; or

(b) if there is a default by the Issuer in the due performance of any other provision of the Terms and Conditions of the Notes, and such default has not been remedied within thirty (30) calendar days after receipt by the Issuer of written notice of such default from the Representative or, in the event that the holders of the Notes of a Series are not grouped together in a Masse, any Noteholder; or

(c) if the Issuer or ST proposes a general moratorium on its debts; or judgment is rendered for its judicial liquidation (liquidation judiciaire) or for a transfer of the whole of the business (cession totale de l'entreprise); or, to the extent permitted by law, the Issuer or ST is subject to any other liquidation or bankruptcy procedure.

10. PRESCRIPTION

All claims against the Issuer in relation to the Notes, Receipts and Coupons (except for Talons) shall lapse after five (5) years from their respective due dates.

11. REPRESENTATION OF NOTEHOLDERS

The Noteholders shall, in respect of all Tranches of a single Series, be grouped together automatically for the defence of their common interests in a masse (the **Masse**), which shall be governed by the provisions of Articles L.228-46 *et seq.* of the Code de Commerce, with the exception of Articles L.228-71 and R.228-69 of the Code de Commerce, as completed by Condition 11.

a) Legal personality

The Masse will be a separate legal entity, acting in part through a representative (the **Representative**) and in part through collective decisions of Noteholders' (**Collective Decisions**).

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which may accrue now or in the future under or with respect to the Notes.

b) The Representative

In accordance with article L.228-51 of the Code de Commerce, the names and addresses of the Representative and his alternate (if relevant) shall be set forth in the relevant Final Terms. The Representative appointed for the first Tranche of a Series of Notes shall be the sole Representative of the Masse for all Tranches of such Series.

The Representative shall receive remuneration for the performance of his functions and duties, as specified in the relevant Final Terms. No additional remuneration shall be payable in relation to any subsequent Tranches of the same Series of Notes.

In the event of death, resignation or dismissal of a Representative, the alternate Representative (if applicable) shall replace him. Another Representative may be appointed.

All interested parties may at any time obtain the names and addresses of the initial Representative and his alternate at the principal office of the Issuer and the specified office of any of the Paying Agents.

c) Powers of the Representative

The Representative shall (in the absence of any resolution to the contrary of the Noteholders' General Meeting), have the power to take any management action necessary for the defence of the common interests of the Noteholders.

All legal proceedings brought against or by the Noteholders must be brought by or against the Representative, as the case may be.

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

d) Collective Decisions

Collective Decisions are adopted in general meeting (**General Meeting**) or by approval following a written consultation (**Written Decision**).

In accordance with article R.228-71 of the Code de Commerce, each Noteholder shall be entitled to participate in Collective Decisions by book entry, in its name, of its Notes either in the registered notes accounts held by the Issuer, or in the bearer notes accounts held by an intermediary (if applicable) on the second (2nd) business day prior to the date of the Collective Decision at midnight (00.00h), Paris time.

Collective Decisions must be published in accordance with Condition 11(h).

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

(A) General Meetings

Noteholders' General Meetings may be held at any time, on convocation either by the Issuer or the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30th) of the nominal amount of the Notes outstanding may request the Issuer or the Representative to convene a General Meeting. If such General Meeting has not been convened within two (2) months from such request, such Noteholders may instruct one of themselves to petition the competent courts to appoint an agent to convene the General Meeting.

General Meetings may only deliberate validly on first convocation if the Noteholders present or represented hold at least one fifth (1/5th) of the nominal amount of Notes then outstanding. On second convocation no quorum is required. Decisions at General Meetings shall be valid if taken by a majority of two thirds (2/3rd) of the votes cast by the Noteholders present or represented at such meeting.

A notice indicating the date, time and place and agenda of the General Meeting shall be published in accordance with Condition 11(h) fifteen (15) calendar days at least prior to the date of the General Meeting on first convocation and no less than five (5) calendar days prior to the date of the General Meeting on second convocation.

Each Noteholder has the right to participate in General Meetings in person, by proxy, by postal ballot, by video conference or by any other means of communication enabling the Noteholders participating in the General Meeting to be identified.

Each Noteholder or its representative shall have the right, throughout the fifteen (15) calendar day period preceding the holding of a General Meeting, on first convocation, or throughout the five (5) calendar day period preceding the holding of a General Meeting on second convocation, to consult or make copies of the text of the resolutions to be proposed and of the reports to be presented at the General Meeting. Such documents will be available for inspection at the registered office of the Issuer, at the specified offices of the Paying Agents and at any other place specified in the notice of such General Meeting.

(B) Written Decisions and Electronic Consent

At the initiative of the Issuer or the Representative, Collective Decisions may also be taken by Written Decision.

Such Written Decision may be signed by or on behalf of Noteholders holding at least eighty per cent (80%) of the nominal amount of the Notes in issue, without having to comply with the formality requirements and deadlines specified in Condition 11(d)(A). Any Written Decision shall have in all respects the same effect as a resolution adopted at a General Meeting of Noteholders. The Written Decision shall be evidenced in a single document or in several documents of identical format, signed by or on behalf of one or more Noteholders. Pursuant to Article L.228-46-1 of the Code de Commerce, Noteholders may also express their approval or rejection of a proposed Written Decision by any means of electronic communication enabling them to be identified (**Electronic Consent**). Any Written Decision (including those adopted by Electronic Consent) shall be published in accordance with Condition 11(h).

Notices relating to requests for approval via Written Decision (including by Electronic Consent) must be published in accordance with Condition 11(h) at least five (5) calendar days before the date set for adoption of such Written Decision (the **Written Decision Date**). Notices relating to requests for approval via Written Decision shall contain the conditions relating to form and deadlines to be observed by Noteholders who wish to express their approval or rejection of the proposed Written Decision. Noteholders who express their approval or rejection before the Written Decision Date undertake not to dispose of their Notes before the Written Decision Date.

(C) Exclusion of certain provisions of the Code de commerce relating to Noteholders' consultation

The following provisions of the Code de commerce shall not apply to the Notes:

- article L.228-65 I. 1° requiring prior approval by Collective Decision for proposed changes to the form or corporate objects of the Issuer;
- articles L.228-65 I. 3°, L.236-14 and L.236-23 requiring prior approval by Collective Decision for any proposed merger or spin-off but only in the case of an intragroup merger or spin-off;

- article L.228-65 I. 4º requiring prior approval by Collective Decision for issuance of notes guaranteed by security (sûreté réelle).

e) Expenses

The Issuer shall pay, upon presentation of the appropriate supporting documents, all expenses incurred in connection with the conduct of the affairs of the Masse, including all expenses relating to notices and the holding of Collective Decisions and, more generally, all administrative expenses adopted by Collective Decisions, provided however that no expenses may be imputed against any interest payable on the Notes.

f) Single Masse

The Noteholders of the same Series, (including Noteholders of any other Tranche consolidated in accordance with Condition 13) and the holders of the Notes of any series that have been consolidated with another Series in accordance with Condition 1.5, shall be grouped together for the defence of their common interests into a single Masse. The Representative appointed for the first Tranche of a Series of Notes shall be the Representative of the single Masse of the Series.

g) Single Noteholder

As long as the Notes are held by a single Noteholder, and unless a Representative has been appointed in relation to such Series, the relevant Noteholder will exercise all of the powers delegated to Masse by the provisions of the Code de commerce. The Issuer shall keep a register of all decisions adopted by the single Noteholder, in such capacity, and shall make it available, on demand, to any future Noteholder of the Notes of such Series. A Representative shall be appointed when the Notes of a Series are held by more than one Noteholder (unless a Representative has already been appointed in the Final Terms of the relevant issue of Notes). For the avoidance of doubt, if a Representative has been appointed for a relevant issue of Notes and the Notes are held at any time by a single Noteholder, the Representative shall continue to exercise the powers conferred upon it.

h) Notices to Noteholders

All notices to be delivered to Noteholders in accordance with this Condition 11(h) shall be addressed in accordance with Condition 14.

i) Full Masse

In respect of any Note issued with a nominal value of less than 100,000€ (or the equivalent thereof in other currencies) in respect of which the Final Terms specify that "Issue outside France" is not applicable, Condition 11 shall apply with the following modifications:

(A) The introductory paragraph to Condition 11 shall be deleted and replaced as follows:

"*The Noteholders shall, in respect of all Tranches of a single Series, be grouped together automatically for the defence of their common interests in a masse (the* ***Masse****), which shall be governed by the provisions of Articles L.228-46 et seq. of the Code de Commerce, with the exception of Article R.228-69 of the Code de Commerce, as completed by Condition 11.* "

(B) Condition 11(d)(C) shall not apply to the Notes.

(C) Condition 11(e) shall be deleted.

(D) Following the deletion of Condition 11(e), the subsequent conditions shall be renumbered accordingly and any reference to Condition 11(h) shall be construed as a reference to Condition 11(g).

For the avoidance of doubt in this Condition 11, the term "outstanding" shall not include the Notes purchased by the Issuer pursuant to Condition 6.7, which are held by it and not cancelled.

12. REPLACEMENT OF PHYSICAL NOTES, RECEIPTS, COUPONS AND TALONS

In the case of Materialised Notes, any Physical Note, Receipt, Coupon or Talon that has been lost, stolen, defaced or destroyed in whole or in part, may be replaced, in compliance with applicable laws and stock market rules and regulations at the offices of the Fiscal Agent or any other Paying Agent, if any, appointed by the Issuer for such purpose and whose appointment shall be notified to the Noteholders. Such replacement shall be made against payment by the claimant of any fees and expenses incurred in connection therewith and subject to such terms as to proof, security or indemnity (which may provide, inter alia, that in the event that the Physical Note, Receipt, Coupon or Talon allegedly lost, stolen or destroyed is subsequently presented for payment or, as the case may be, for exchange for further Coupons, the Issuer shall be paid, at its request, the amount payable by the Issuer in respect of such Physical Notes, Coupons or further Coupons). Partially destroyed or defaced Materialised Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13. FUNGIBLE ISSUES

The Issuer shall be entitled, without the consent of the holders of any Notes, Receipts or Coupons, to create and issue further notes to be consolidated with the already issued Notes to form a single Series, provided that such already issued Notes and the further notes confer on their holders rights that are identical in all respects (or identical in all respects other than the issue date, Issue Price and the amount of the first interest payment) and that the terms of such Notes provide for consolidation. References to "Notes" in these Terms shall be interpreted accordingly.

14. NOTICES

14.1 Notices addressed by the Issuer to the holders of Dematerialised Notes in registered form shall be valid either (a) if they are posted to their respective addresses, in which case they shall be deemed to have been delivered on the fourth Business Day after posting or (b) at the option of the Issuer, if they are published in one of the leading economic and financial daily newspapers with general circulation in Europe. So long as the Notes are admitted to trading on any regulated market and the applicable rules of such market so require, notices shall not be deemed to be valid unless published on the website of any relevant regulatory authority, in an economic and financial daily newspaper with general circulation in the city(ies) in which the Notes are admitted to trading, which in the case of Euronext Paris is expected to be Les Echos and in any other manner required, as the case may be, under the applicable rules of such market.

14.2 Notices addressed to Noteholders of Materialised Notes and Dematerialised Notes in bearer form shall be valid if published in a leading economic and financial daily newspaper with general circulation in Europe and, so long as the Notes are admitted to trading on any regulated market and the applicable rules of such market so require, notices shall also be published in an economic and financial daily newspaper with general circulation in the city(ies) in which the Notes are admitted to trading, which in the case of Euronext Paris is expected to be Les Echos and in any other manner required, as the case may be, under the applicable rules of such market.

14.3 If any such publication is not practicable, the notice shall be validly given if published in a leading economic and financial newspaper with general circulation in Europe, provided however that, so long as the Notes are admitted to trading on any regulated market, notices must be published in any other manner required, as the case may be, under the applicable rules of such regulated market. Noteholders

shall be deemed to have had notice of the contents of any notice on the date of publication, or if the notice was published more than once or on different dates, on the date of the first publication as described above. Couponholders shall be deemed, in all circumstances, to have had notice of the contents of any notice addressed to Noteholders of Materialised Notes in accordance with this Condition.

14.4 Notices addressed to holders of Dematerialised Notes (whether in registered or bearer form) in accordance with these Terms may be delivered to Euroclear France, Euroclear, Clearstream or any other clearing system through which the Notes are then cleared, instead of posting or publishing the notice as provided in Conditions 14.1, 14.2 and 14.3 above, provided however that so long as the Notes are admitted to trading on any regulated market and the applicable rules of such market so require, notices shall also be published in an economic and financial daily newspaper with general circulation in the city(ies) in which the Notes are admitted to trading and in any other manner required, as the case may be, under the applicable rules of such market.

14.5 Notices concerning convocations and decisions of General Meetings shall, in accordance with Condition 11 and pursuant to articles R.228-79 and R.236-14 of the Code de Commerce, be delivered to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are cleared at such time. For the avoidance of doubt, Conditions 14.1, 14.2, 14.3 and 14.4 shall not apply to such notices.

15. GOVERNING LAW, LANGUAGE AND JURISDICTION

15.1 Governing law

The Notes, Receipts, Coupons, Talons and Guarantees are governed by and shall be interpreted in accordance with French law.

15.2 Jurisdiction

Any claims against the Issuer relating to the Notes, Receipts, Coupons or Talons shall be brought before the competent courts of the jurisdiction of the Issuer's registered office.

16. LANGUAGE

This Base Prospectus has been drafted in French and English, only the French version approved by the AMF may be relied upon as the authentic and binding version.

TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES

1. TEMPORARY GLOBAL CERTIFICATES

A Temporary Global Certificate in respect of Materialised Notes, without interest coupons, will initially be issued (a **Temporary Global Certificate**) for each Tranche of Materialised Notes, and shall be deposited at the latest by the issue date of such Tranche with a common depositary (the **Common Depositary**) for Euroclear Bank SA/NV (**Euroclear**), and Clearstream banking, S.A. (**Clearstream**). Following deposit of such Temporary Global Certificate with a Common Depositary, Euroclear or Clearstream shall credit each subscriber with an amount in principal of Notes equal to the nominal amount so subscribed and paid for.

The Common Depositary may also credit the accounts of subscribers of a nominal amount of Notes (if so specified in the applicable Final Terms) with other clearing systems through accounts held directly or indirectly by such other clearing systems with Euroclear and Clearstream. Conversely, a nominal amount of Notes initially deposited with any other clearing system may, in the same manner, be credited to the accounts of subscribers held with Euroclear, Clearstream or other clearing systems.

2. EXCHANGE

Each Temporary Global Certificate in respect of Materialised Notes shall be exchangeable, free of charge to the bearer, at the earliest on the Exchange Date (as defined below):

(a) if the relevant Final Terms specify that the Temporary Global Certificate is issued in compliance with the TEFRA C Rules or in a transaction to which the TEFRA rules do not apply (see section "General Description of the Programme"), in whole but not in part, for Physical Notes; and

(b) in all other cases, in whole but not in part, after certification, to the extent required under section § 1.163-5(c)(2)(i)(D)(4)(ii) of the U.S. Treasury regulations, that the Notes are not held by U.S. persons, for Physical Notes.

3. DELIVERY OF PHYSICAL NOTES

On or after the Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. The Issuer shall, in exchange for any Temporary Global Certificate, deliver or procure the delivery of an equal aggregate nominal amount of duly signed and authenticated Physical Notes. For the purposes of this Base Prospectus, **Physical Notes** means, in respect of a Temporary Global Certificate, the Physical Notes for which the Temporary Global Certificate may be exchanged (having, if appropriate, attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Physical Notes will be security printed in accordance with any applicable legal and stock exchange requirements.

Exchange Date means, in relation to a Temporary Global Certificate, the day falling no earlier than 40 calendar days after its issue date, provided however that, in the case of a further issue of Materialised Notes, to be consolidated with such previously mentioned Materialised Notes, issued prior to such day in accordance with Condition 13, the Exchange Date may, at the option of the Issuer, be postponed until a date falling at least 40 calendar days after the issue date of such further Materialised Notes.

In the case of Materialised Notes with a minimum maturity of more than 365 days (to which the TEFRA C Rules do not apply), the Temporary Global Certificate must include the following legend:

ANY UNITED STATES PERSON (AS DEFINED IN THE U.S. INTERNAL REVENUE CODE OF 1986) WHO HOLDS THIS NOTE WILL BE SUBJECT TO RESTRICTIONS UNDER UNITED STATES FEDERAL INCOME TAX LAWS, INCLUDING THOSE PROVIDED UNDER SECTIONS 165(J) AND 1287(A) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED.

USE OF PROCEEDS

The net proceeds of the issue of Notes are intended to finance the Issuer's activities in accordance with its general corporate purposes. More specifically, the proceeds of the Issue of Notes is used, firstly, to grant loans to Members in the context of the lending policy as well as to gradually establish and maintain liquidity reserves in accordance with regulatory obligations and good management practices.

If the relevant Final Terms specify that the Notes are Sustainable Bonds (the **Sustainable Bonds**), an amount equivalent to the net proceeds derived from of the issue of the Sustainable Bonds shall be used exclusively to finance or refinance, in whole or in part, eligible expenditure falling in the Eligible Categories indicated below (as described in the Issuer's Sustainable Bonds Scheme (the **Scheme**) available on the Issuer's website: https://www.agence-france-locale.fr/rse/une-banque-responsable/financement-durable/). The identification of eligible expenditure consists of analysing the annual budget for the reference year of each target Member Local Authority in order to identify capital expenditure falling within the Eligible Categories (according to the eligibility criteria detailed below), excluding all current/operational expenditure. The share of eligible expenditure thus determined in the overall investment budget of the Member Local Authority is then applied to the loan(s) released by the Issuer during the reference year.

The Members' **Eligible Categories** are as follows:

a. *Eligible green categories*

Low-carbon public transport *Objective: Energy and ecological transition*	

Environmental benefits: Climate change mitigation
Eligibility criteria:
• Financing of public transport infrastructure and low-carbon transport solutions:
  ○ Soft mobility
  ○ Transport via railways
 	
In Disadvantaged Local Authorities only:
• Development, construction, and/or maintenance of low-carbon public transport infrastructure:
  ○ Development, construction and/or maintenance of multimodal transport infrastructure
 	
Exclusion criteria:
• Expenditure related to air transport is excluded
• Road, inland waterway and sea transport are excluded in the absence of information confirming the environmental benefits of the local authority's budget line
 	
Examples of eligible expenditure/investments:
• Financing the construction, equipment or maintenance of low-carbon public transport facilities, such as new public railways, multimodal links or cycle paths

Pollution prevention and control *Objective: Energy and ecological transition*	
Environmental benefits: Pollution prevention and control, Protection of biodiversity and ecosystems **Eligibility criteria:** • Waste collection, prevention and treatment: ○ Prevention and awareness-raising measures ○ Selective collection of waste (having been sorted beforehand) ○ Sorting, recovery and treatment of waste, with the exception of waste storage **Exclusion criteria:** • Average expenditure related to waste storage is excluded (see 2.1.1. a.) • Average expenditure related to non-selective collection is excluded (see 2.1.1. a.) **Examples of eligible expenditure/investments:** • Financing of public waste management sites with the objective of reducing and recycling waste • Funding of waste prevention and reduction and recycling awareness projects	

Renewable energies *Objective: Energy and ecological transition*	

Environmental benefits: Climate change mitigation
Eligibility criteria:
• Expenditure related to support for the development of renewable energies:
  ○ Solar photovoltaic power
  ○ Wind energy
 	
Exclusion criteria:
Expenditure linked to:
• Hydroelectricity, biomass fuels, geothermal energy
• District heating and cooling networks
• Non-renewable energy sources
 	
Examples of eligible expenditure/investments:
• Financing of the construction, equipment or maintenance of infrastructure dedicated to renewable energy	

Sustainable management of water and waste water *Objective: Sustainable infrastructure, urban development and territorial cohesion*	

Environmental benefits: Pollution prevention and control, Protection of water and marine resources, Adaptation to climate change
Eligibility criteria:
<u>Internal criteria:</u>
• Actions carried out in the field of water management (water policy, drinking water, sanitation, stormwater, flood control), to ensure the supply of drinking water, as well as those carried out for the disposal and treatment of wastewater. This may include, in particular:
  ○ Sanitation networks and sewers,
  ○ Industrial supply networks,
  ○ Water supply networks
  ○ Pumping stations
  ○ Wastewater and drinking water treatment
  ○ Stormwater treatment
  ○ Development of rivers
  ○ Development of basins and lakes, including retention basins
  ○ Development of dykes and dams
  ○ Conservation work concerning catchment areas
 	
Examples of eligible expenditure/investments:
• Financing of the construction, equipment, maintenance and modernisation of water supply networks
• Financing of wastewater treatment infrastructure: sewerage systems, wastewater treatment plants, on-site sanitation facilities	

b. Eligible social categories

Education and culture *Objective: Access to essential and basic social services*	

Social benefits: Access to essential and basic social services
Eligibility criteria:
(Re)financing of expenses that contribute to financing education, vocational training and apprenticeships, in particular those related to the following topics:
• Nursery schools, primary schools, secondary schools and sixth-form colleges
• Higher education
• School transport
• Vocational training, including:
  ○ Social and professional insertion of job seekers
  ○ Vocational training for job seekers
  ○ Vocational training of the workforce
• Operation of the National Centre for Territorial Public Office (*Centre National de la Fonction Publique* - CNFPT)
• Sanitary and social training
• Extracurricular services, including:
  ○ School accommodation and food services
  ○ School sports
  ○ School medicine
 	
(Re)financing of expenditure relating to culture, social life, youth and leisure, in particular:
○ Arts and cultural activities
○ Heritage
○ Libraries and media libraries
○ Museums
○ Archive services
○ Theatres and live entertainment
○ Cinemas and theatres
○ Preventive archaeology
○ Sports infrastructure, sporting events, sports facilities and sports training centres
○ Socio-educational activities and leisure, including:
  ○ Leisure centres
  ○ Summer camps
○ Social and civic life, including:
  ○ Expenditure in relation to gender equality
 	
Target population: The entire population of the target Local Authorities
Examples of eligible expenditure/investments:
• Construction of schools, campuses, student accommodation, including sports facilities in educational institutions: the population thus has access to accessible and affordable services
• Financing of renovation, modernisation, upgrading to safety and seismic standards, and energy renovation of public school and university buildings
• Funding of public libraries, archives and museums	

Employment
Objective: Access to essential and basic social services

Social benefits: Access to essential and basic social services
Eligibility criteria:
In Disadvantaged Local Authorities only:
(Re)financing of expenditure that supports the development of economic activity with the aim of promoting and preserving employment in Disadvantaged Local Authorities, in particular:

- Interventions to support the economic development of the Authorities (in line with the Framework exclusion list – see 2.1.1. a.)
- Support for economic integration
- Support for SSE enterprises
- Support for the tourism sector, the influence and attractiveness of the territory

Target population : The entire population of Disadvantaged Local Authorities
Examples of eligible expenditure/investments:

- Financing of projects to promote the attractiveness of the territories

Access to essential health services
Objective: Access to essential and basic social services

Social benefits: Access to essential and basic social services
Eligibility criteria:
(Re)financing of expenditure that strengthens the capacity of Local Authorities to provide health services accessible to all, in particular:

- Maternal and Child Health (PMI) and family planning
- Prevention and health education, including:
  - Medical and information actions aimed at the population to prevent the development of certain diseases (information, awareness and screening for AIDS, cancer, respiratory diseases, etc.)
  - Prophylactic measures by tuberculosis dispensaries and BCG vaccination services, and venereal disease dispensaries
  - Actions to combat alcoholism, smoking, drugs, etc.
- Food security
- Clinics and other health facilities, in particular:
  - Management of medical consultation and nursing care centres
  - Management of specialised clinics for the school population (e.g. medical-psychological centres)
  - One-off actions in liaison with the competent public or private establishments, relating to:
    - Treatment centres
    - Aeriums, preventoriums, sanatoriums
    - Rehabilitation and recuperation centres
    - Convalescence centres
    - Maternity hospitals
    - Pregnancy termination clinics
    - Thermal bath and seawater treatment centres
    - Emergency medical services (S.A.M.U.) and health protection services
    - Blood transfusion establishments
    - Organ banks.

Target population: The entire population of the Local Authorities, and in particular populations with difficulties in accessing care **Examples of eligible expenditure/investments:** • Financing of the construction, development, maintenance or renovation of health facilities, as well as medical equipment and associated technologies for the improvement and protection of public health • Financing of preventive health and social support facilities and services	

Social inclusion *Objective: Access to essential and basic social services*	

Social benefits: Access to essential and basic social services
Eligibility criteria: (Re)financing of expenditure:
• Regarding social or medico-social initiatives
  ○ Family and childhood (e.g. home help, accommodation for minors and single mothers, etc.)
  ○ Maternity support measures
  ○ Family support (e.g. allowances paid as social assistance to families)
  ○ Child welfare support
  ○ Adolescence (e.g. social homes for children and adolescents, orphanages, etc.)
  ○ Early childhood (e.g. nurseries and day-care centres)
  ○ Seniors (e.g. accommodation for seniors in nursing homes)
  ○ People in difficulty (e.g. aid to associations working to help people in economic difficulty)
  ○ Disabled persons (e.g. facilities for disabled adults)
• In connection with the Personal Independence Payments (APA)
• In connection with the Low income support payments (RSA), including expenditure related to social actions for RSA beneficiaries
 	
Target population: Vulnerable population groups (young people, seniors, low-income families, people with disabilities, people at risk of social exclusion, etc.)
Examples of eligible expenditure/investments:
• Construction of specialised support facilities for seniors
• Provision of specialised support and facilities for people with disabilities
• Funding of nurseries and daycare centres	

Affordable housing *Objective: Sustainable infrastructure, urban development and territorial cohesion*	
Social benefits: Sustainable infrastructure, municipal development and territorial cohesion **Eligibility criteria:** (Re)financing of expenditure: • In connection with social housing and assistance for access to housing • In relation to traveller reception areas In Local Authorities experiencing an imbalance in the supply and demand of rental housing: (Re)financing of expenditure: • In relation to aid for the rental sector	

Target population: HLM (social housing) organisations, tenants receiving housing benefits **Examples of eligible expenditure/investments:** • Financing of social housing • Financing of grants to low-rent housing organisations • Financing of financial assistance schemes for tenants	

Affordable and sustainable infrastructure *Objective: Sustainable infrastructure, urban development and territorial cohesion*	
Social benefits: Sustainable infrastructure, municipal development and territorial cohesion **Eligibility criteria:** In Disadvantaged Local Authorities only: (Re)financing of expenditure that supports the development of quality and sustainable infrastructure for all Disadvantaged Local Authorities, including: • Development of public infrastructure contributing to the improvement of living conditions in urban and/or rural agglomerations in disadvantaged areas • Construction, renovation and maintenance of public buildings, public lighting and public infrastructure **Target population:** The entire population of Disadvantaged Local Authorities **Examples of eligible expenditure/investments:** • Financing of renovation, modernisation and safety upgrading work on public infrastructure and buildings • Financing of facilities contributing to rural development • Financing of public lighting	

Disadvantaged Local Authorities receive special attention.

Disadvantaged Local Authority refers to any local authority ranked in the bottom third based on an internal score derived from public data and statistics, including:

- the unemployment rate;
- the long-term unemployed rate;
- the poverty rate; and
- the percentage of the population living in priority neighbourhoods under the urban policy.

Eligible expenditure does not include:

- expenditure that has already been (or could be) refinanced through specific Local Authority green and/or social/or sustainable bonds;
- expenditure supported by EU funding; and
- additional sectoral exclusions, as detailed in the Scheme.

The AFL has also put in place an approach allowing it to comply with the exclusions applicable to PAB (*Paris-aligned benchmarks*) indices. In addition to the exclusions applicable to PABs, the AFL also excludes the nuclear energy and gambling sectors from eligible expenditure. Finally, an approach has been put in place to exclude, by equivalence, expenditure related to certain budget lines linked to waste management that the AFL does not wish to include in its Scheme.

If necessary, the Final Terms specify the expected refinancing element, the Eligible Categories for a Tranche of Sustainable Bonds and any other necessary information, including whether opinions from third-party organizations or audit reports are issued and how they are made available.

As of the date of the Scheme the Local Authorities are not subject to a reporting obligation on their alignment with the European taxonomy. This specific feature of public financial data therefore does not allow financial stakeholders such as the AFL to directly identify budgetary interventions aligned with the European taxonomy. For this reason, the AFL does not establish a direct correspondence with the taxonomy criteria in its Scheme. However, the AFL has introduced the possibility within the Scheme to include any activity (in addition to the Eligible Categories mentioned above) provided that it meets the substantial contribution criteria of the delegated acts of the Taxonomy Regulation, as long as the AFL is able to identify and demonstrate that these criteria are met. For this purpose, the AFL may use the data published by the Local Authorities as part of the publication of their "green budgets". As of the date of the Scheme, the draft environmental annex of the Local Authorities does not make it possible to identify activities that meet the substantial contribution criteria of the European taxonomy. On the other hand, the Local Authorities may be required to publish a set of data as part of the implementation of this annex, which the AFL may use to identify assets that meet the substantial contribution criteria of the taxonomy.

Some of the Eligible Categories mentioned above are likely to include, to a large extent, expenditure that meets the substantial contribution criteria of the taxonomy. Nevertheless, the AFL cannot make a definitive decision on this fulfilment and therefore uses internal criteria within the Scheme to define eligible green assets.

The AFL produces an allocation and impact report at least once a year, until the maturity of the Sustainable Bonds. The report contains the following information:

- the total amount of funds distributed by reference to the (i) main areas of intervention and (ii) the Eligible Categories;

- the geographical distribution of the funds distributed;
- the total amount of funds utilised for refinancing or the new loans granted;
- the amount of unallocated funds (if any) and the types of temporary investments made;
- the distribution of eligible loans by year of origination;
- the number, type and geographical distribution of the Local Authorities financed; and
- the contribution of the funds towards the applicable United Nations' sustainable development objectives (ODD);

The allocation and impact report appears in a report devoted to Sustainable Bonds. The reports are available on the Issuer's website (https://www.agence-france-locale.fr/).

Second party opinion

For the purpose of the establishment of the Scheme, the Issuer appointed EthiFinance to carry out an external examination of its Sustainable Bonds scheme and to provide it with a second party opinion on the environmental and social aspects of its Scheme, as well as its conformity with the principles applicable to green, social and sustainable bonds defined in the *Green Bond Principles* (2025), the *Social Bond Principles* (2025) and the *Sustainability Bond Guidelines* (2021) of the ICMA. For more information on the ICMA principles, please consult the ICMA website at https://www.icmagroup.org[3].

This second party opinion is published on the Issuer's website (https://www.agence-france-locale.fr/).

External review

The Issuer publishes on its website the annual report expressing moderate or reasonable assurance, provided by its external statutory auditor or by any other independent entity it has appointed. In each report, the statutory auditor or independent entity verifies:

- that an amount equal to the net proceeds of the Sustainable Bonds has been allocated in compliance (all material aspects being considered) with the eligibility criteria defined in the Scheme;
- the number of Local Authorities financed and the contribution of the proceeds towards the applicable sustainable development objectives.

[3] The information on the ICMA website does not form an integral part of this Base Prospectus unless it is incorporated by reference in accordance with Article 19 of the Prospectus Regulation.

DESCRIPTION OF THE ISSUER

1. INFORMATION ABOUT THE ISSUER

1.1 History and Development of the Issuer

(a) Company name and trade name

The Issuer's company name is "Agence France Locale". This company name was adopted by the Issuer's shareholders' general meeting on 24 June 2014. It was formerly called "Agence France Locale – Operating Company".

(b) Place of registration and registration number

The Issuer is registered with the Lyon Trade and Companies Register under no. 799 379 649.

(c) Issuer's date of incorporation and term

The Issuer was incorporated on 17 December 2013 as a French limited liability (société anonyme) company governed by an Executive Board and a Supervisory Board.

The establishment of the Issuer was made possible by adoption of the Law of 26 July 2013 of which Article 35, enacted by Article L. 1611-3-2 of the CGCT as amended, expressly stipulates that Local Authorities may create a company in the form of a French public limited company (*société anonyme*) governed by Book II of the French Commercial Code, the purpose of which is to contribute to their funding through a dedicated subsidiary company.

Article L. 1611-3-2 of the CGCT provides that:

"Local authorities, their groupings and local public establishments can create a limited liability company (société anonyme) governed by Book II of the French Commercial Code in which they hold 100% of the share capital and whose purpose is to contribute to their funding through a dedicated subsidiary company.

This company and its subsidiary shall perform their activities exclusively on behalf of the local authorities, their groupings and local public establishments. This financing activity shall be carried out by the subsidiary using resources mainly generated by issues of financial instruments, excluding resources received directly from the French State or resources guaranteed by the French State.

In derogation of the provisions of Articles L. 2252-1 to L. 2252-5, L. 3231-4, L. 3231-5, L. 4253-1, L. 4253-2 and L. 5111-4, local authorities, their groupings and local public establishments are authorised to guarantee all of the subsidiary's commitments up to the amount of their own outstanding loans with said subsidiary. The conditions for the application of this guarantee are specified in the articles of association of the two companies. "

Decree No. 2025-820 of 13 August 2025 on the application of Article L. 1611-3-2 of the CGCT clarified that the ratio referred to in the minimum capital requirement of 1.7% referred to in Article D. 1611-41 of the CGCT is the bank leverage ratio, and not the ratio of public development credit institutions.

According to Article D. 1611-41 of the CGCT (amended by Decree no. 2025-820 of 13 August 2025), Local Authorities "ensure through their participation, whether direct or indirect, on *Agence France Locale – Société Territoriale governance bodies that Agence France Locale's risk appetite framework includes a minimum capital requirement expressed*

as the ratio between the establishment's own funds and the overall exposure of the establishment, and equal to 1.7% as a minimum.

The own funds referred to in the first sub-paragraph shall be as defined in paragraph 3 of article 429 of Regulation (EU) 575-2013.

The total exposure of the institution referred to in the first paragraph is that defined in paragraph 4 of Article 429 of Regulation (EU) 575-2013, without applying the exclusions referred to in d of paragraph 1 of Article 429a of Regulation (EU) 575-2013. "

In accordance with the aforementioned provisions, ST holds practically all of the Issuer's share capital and voting rights; for a detailed description see paragraph 4 "*Description of the ST*" in the section "*Description of Guarantors and the Guarantee Mechanism*" of this Base Prospectus.

The Issuer's term is 99 years as from the date of its registration with the Companies and Trade Register, i.e., until 23 December 2112, unless such term is extended or the Issuer is dissolved prior to this date.

(d) General information

(i) Registered office

The Issuer's registered office address, telephone and fax numbers and website are as follows:

Agence France Locale
112, rue Garibaldi, 69006, Lyon, France

Fax: +33 (0) 4 84 88 26 46
Website: https://www.agence-france-locale.fr/
E-mail: EMTN@afl-banque.fr

(ii) Legal form

This issuer is a French limited liability company (société anonyme) with an Executive Board and Supervisory Board governed by the provisions of the French Commercial Code.

(iii) Applicable legislation

Subject to the legal and regulatory provisions related to credit institutions, particularly the applicable articles of the French Monetary and Financial Code (Code monétaire et financier), the Issuer is governed by commercial law, principally by Articles L. 210-1 et seq. of the French Commercial Code, as well as its articles of association (statuts).

The Issuer is a licensed specialised credit institution that is authorised to carry out lending activities and collect repayable funds from the public.

On 11 March 2021, the Issuer was recognised as a public development credit institution by the French prudential supervisory authority (ACPR). This status allows the Issuer to benefit from the amended leverage ratio requirements described in paragraph 11.1 "*The Issuer's regulatory capital requirements*" of this "*Description of the Issuer*" section.

It is therefore subject to an extensive number of prudential requirements and is regulated by the ACPR. Section 11.1 "The Issuer's regulatory capital requirements" of this "Description of the Issuer" section contains a description of the main prudential capital ratios with which the Issuer must comply.

Moreover, Article L. 1611-3-2 of the *CGCT* imposes restrictions as to its business operations.

(e) Rating assigned to the Issuer or its Programme

The Issuer is rated A+ stable outlook by Fitch and by S&P. Notes issued under the Programme are rated A+ by Fitch and by S&P. The rating attributed to the Notes, if any, shall be specified in the relevant Final Terms. The rating of the Notes may not necessarily be the same as that of the Programme. The rating of the Notes will not necessarily be the same as that of the Programme. A rating is not a recommendation to buy, sell or hold Notes and may be suspended, amended or withdrawn at any time by the relevant rating agency. On the date of this Base Prospectus, Fitch and S&P are rating agencies established in the European Union and registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and Council of 16 September 2009 relating to credit rating agencies as amended (the CRA Regulation) and are included on the list of credit rating agencies published on the European Securities and Markets Authority website (https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the CRA Regulation.

Fitch indicates that commitments with an "A" rating have a low risk of default. The debtor's capacity to meet its financial commitments is judged to be high. Nevertheless, this capacity remains more exposed to adverse economic or business conditions than that associated with a higher-rated rating.

S&P indicates that a debtor with a long-term credit rating of "A" is an debtor with a strong capacity to meet its financial liabilities, which is nevertheless more exposed to the adverse effects of changes in circumstances and economic conditions than debtors with higher rating categories.

(f) HQLA1 nature of Notes issued by AFL

Article 115 (2) of Regulation (EU) 575/2013, as amended in particular by Regulation (EU) 2019/876 (the **CRR Regulation**) allows, under certain conditions and on the advice of the competent authority, exposures to regional governments or local authorities to be treated as exposures to central government. On 21 June 2024, the College of the ACPR adopted Decision n° 2024-C-18 allowing communes, *départements*, regions and inter-communal cooperation public establishments (EPCI) with tax-raising powers, as well as specific status local authorities, to be considered as French central administration – they are treated in the same manner as the central administration provided they satisfy the criteria set out in the CRR Regulation of the European Parliament and of the Council dated 27 November 2019. As a result, issues by the Issuer may be treated as level 1 high quality liquid assets (**HQLA 1**) pursuant to article 10(1)(e)(ii) of delegated Regulation (EU) 2015/61 of 10 October 2014, provided that the proportion of loans granted by the Issuer to assimilated regional governments and local authorities (RGLA) is at all times at least equal to or greater than 90% of the total loans outstanding[4].

The new prudential weighting for exposures to French local authorities and recognition of the HQLA1 status of the Issuer's debt issues, if the proportion of 0% unweighted exposures remains below 10%, has improved the Issuer's cost of financing to the extent that this new classification makes its debt more attractive to banking investors. In its risk appetite (see

[4] Notice 2024, Calculation and publication of prudential ratios for the purpose of CRD IV and MREL requirements (28 June 2024 version), ACPR

section 11 "*Key elements of risk appetite*" below), the Issuer undertakes to maintain at below 10% the proportion of loans granted to 0% non-weighted local authorities.

1.2 Investments

(a) Fixed asset investments

This Issuer does not intend to carry out significant capital expenditures given its operational organisation and structure.

During the first half of 2024, the Issuer created a subsidiary in the form of a simplified public limited company (*société anonyme simplifiée* or SASU).

This company, initially called Agence France Locale – Foncière, then renamed Agence France Locale - Immobilière has capital of €12,500,000 fully owned by the Issuer. Registered with the Lyon Trade and Companies Register under the number 929 596 583 since 6 June 2024, Agence France Locale - Immobilière has its current registered office in the premises leased by the Issuer for its own registered office (112 rue Garibaldi, 69006 Lyon).

Its main purpose is holding an office building located in the Lyon - Part Dieu district (the Vertuo building) acquired as property for future completion (VEFA). This is a rehabilitated property of very high environmental quality, intended in particular to house the head office of the Issuer from the completion of the works, scheduled for 2026, which the Issuer and the Agence France Locale - Immobilière have agreed on in a lease of property for future completion (BEFA) signed on 21 October 2024. Agence France Locale – Immobilière may also lease part of the property to third parties.

(b) Financial investments

The Issuer reinvests the revenue from its lending as well as that from its regular increases in capital, which it carries out pending granting loans to its members. As a result, a liquidity reserve has built up, investments of which are guided by the investment and credit risk management policy related to the market activity, which sets out the main principles of cash investment and the credit risk management policy related to the Issuer's activities, the main characteristics of which are set out in section 11 "*Key elements of risk appetite*" below.

2. BUSINESS OVERVIEW

2.1 ACPR approval

Pursuant to its authorisation as a specialised credit institution granted by the ACPR on 22 December 2014 and which became effective on 12 January 2015, the Issuer may carry out lending activities and collect repayable funds from the public. In accordance with Article L. 1611-3-2 of the *CGCT*, the Issuer may only conduct lending activities for the Local Authorities that are Members.

2.2 Issuer's business

The main missions of Agence France Locale, a specialist credit institution of which more than 99.99% of the share capital is owned by ST, are as follows:

- providing loans exclusively to Members;
- fund-raising on the capital markets; and
- the daily operational management of financial activities.

(a) Lending activity

The Issuer's corporate objects are specified in article 2 of its articles of association. In accordance with the provisions of Article L. 1611-3-2 of the *CGCT*, the Issuer's main activity is extending loans to Members to help them financing a portion of their investment budgets.

For the most part, the Issuer offers:

- medium- and long-term funding (Medium-Long Term Loans) since the onset of operations; and
- short-term funding (Liquidity Facilities).

In addition, the Issuer may from time to time purchase receivables due from shareholder Local Authorities.

Liquidity Facilities are subject to specific budgetary and accounting regimes. Circular NOR/INT/B/89/007/C of 22 February 1989 on short-term financial support offered to local authorities and their public institutions stipulated the rules for distinguishing the form of money lending according to its on- or off-budget treatment by the local authority's decision-making body.

Thus, such financial support is treated as a liquidity facility recorded off-budget in class 5 financial statements and is intended to be used to manage the local authority's liquidity.

As a result of this fundamental distinction the amounts lent through a Liquidity Facility are not intended to fund investment and do not amount to budgetary resources. They only fund the temporary period between when expenses are paid and income is received.

The Issuer does not intend to:

- act as a counterparty on behalf of the Members in connection with financial futures transactions;
- distribute structured products inseparably combining straight-forward financing with rates calculation options;
- carry out other transactions related to its authorisation.

(b) Collecting repayable funds from the public by offering debt securities to the public

The Issuer also expects to collect repayable funds from the public through debt security issues made to the public in accordance with the provisions of Article R. 312-18 of the French Financial and Monetary Code (Code monétaire et financier) on the issuance of debt securities equivalent to collecting repayable funds from the public.

2.3 Market

(a) Background

Pursuant to Article L. 1611-3-2 of the *CGCT* (as derived from article 67 of French law no. 2019-1461 of 27 December 2019 on involvement in local life and the proximity of public action), local authorities, their groupings and local public institutions constitute the single,

unique target of AFL, which represents a total potential market of more than 46,000 entities. However, a large number of these entities do not use credit.

Decree no. 2020-556 of 11 May 2020 published on 12 May 2020 defined the eligibility criteria of new AFL shareholders, with thresholds applicable to the financial situation and debt level of any entity acquiring a stake in the capital of AFL since its publication date.

At the general meetings of AFL and AFL-ST shareholders on 7 May 2020 and 28 May 2020 respectively, the shareholders amended the articles of association of the two companies to include *syndicats* in the scope of new authorities that may join AFL. At the general meetings of AFL and AFL-ST shareholders on 6 May 2021 and 27 May 2021 respectively, the shareholders amended the articles of association of the two companies again to include all local authorities, their groupings and their local public institutions in the scope of new authorities that may join AFL.

Works were carried out by the AFL Group on preparing the extension to these local public sector entities newly eligible under the laws and regulations indicated above. To date, the following are now eligible for membership: *régies* (public industrial and commercial establishments or EPIC), public administrative establishments (EPA), departmental fire and rescue services (SDIS), municipal or inter-municipal social action centres (CCAs/CIAS). AFL Group may gradually incorporate other categories of local public institutions.

Please refer to section 5.2 "*Description of Members and their institutions*" in this Prospectus for a description of the different categories of local authorities, their groupings and local public institutions, and their number.

As of 30 June, the 1,300 members of the AFL Group comprise the following:

- 6 regions (including French Polynesia);
- 20 *départements* (including Saint-Pierre-et-Miquelon);
- 1,014 municipalities; and
- 260 grouped bodies, including 15 metropolitan areas, 6 EPTs, 10 urban municipalities, 59 conurbation municipalities, 82 combined municipalities and 88 local public bodies and institutions.

A detailed presentation of the Member Local Authorities by type and size is provided in section 5 of "Description of the Guarantors and the Guarantee Mechanism" in this Base Prospectus.

(b) Local Authorities' financial position[5]

The Local Authorities' key budget guidelines are described in section 5.2 of section "Description of the Guarantors and the Guarantee Mechanism" in this Base Prospectus.

The local authorities' credit risk profile is generally considered to be limited as they are required to establish balanced budgets under the supervision of the relevant representative of the State (*Préfet*) within the *département* and financial courts (regional/local accounting offices). In its report on local public financing published in October 2013[6], the French Court of Auditors (*Cour des comptes*) emphasised that the Local Authorities "[...] represent in

[6] Source: Cour des Comptes, "Local public financing", thematic public report, October 2013

practice a sub-sovereign risk due to the golden rule: they must ensure that they are able to make capital repayments on their loans from their own resources and may only borrow to finance their investment needs. *Compliance with this rule is guaranteed by the statutory budgetary audit mechanism involving regional and local Courts of Auditors acting at the behest of the State representative. It notably includes a procedure for rectifying excessive deficits in the accounts*". This rule ensuring balanced budgets is codified in Article L. 1612-4 of the *CGCT*.

Against a backdrop of falling inflation, the end of the electoral investment cycle and the recovery of the property market from the crisis, the 2025 financial year was characterised by contrasting trends. On the one hand, over the past year, an improvement in the budgetary situation of the Local Authorities has been observed, although it remains mixed across the different segments. The municipal sector appears generally robust, while the departments remain structurally fragile due in particular to the burden of social expenditure, and the regions are still facing marked financial pressures. Also, expenditure, in particular investment expenditure, increased sharply, reaching an unprecedented level of about €87 billion.

According to provisional data from France's General Directorate of Public Finance (**DGFiP**), the financial year 2025 is characterised by the following:

- A recovery in gross savings capacity after 2 years of decline (+8.7%), although varying across the different segments of Local Authorities. While the increase is limited for the municipalities (+2.8%) and the GFP (+1.5%), it is significant for the regions (+7.7%) and very strong for the departments (+35.8%). This recovery is explained by a twofold dynamic:

    - Actual operating revenues (**RRF**) for all Local Authorities are up (+2.1%, i.e. +€5.1bn) while inflation has only increased by 0.9%. This increase is linked in particular to the rise in tax revenues (+2.3% or +€3.8bn), which benefit from the revaluation of the bases, past inflation and a more favourable economic situation. In particular, property transfer duties recorded a notable rebound (+19.8%), reflecting a recovery in the property market, and benefited the departments after two consecutive years of decline (-22.3% and -12.8%).

    - Actual operating expenditure (**DRF**) increased moderately (+1.1%), driven in particular by staff expenses (+2.2%) and purchases and external charges (+1.6%). The slowdown in the growth of DRF compared to 2024 is due to the normalisation of inflation with a fall in energy prices and stabilisation of food prices. Individual solidarity allowances (*allocations individuelles de solidarity* - AIS) paid by the departments are up by +1.7%. Finally, the contributions paid by the departments and regions are decreasing (-9.1%).

Investment continues to rise, reaching a record level of around €87bn (+2.1%). Capital expenditure is increasing for the municipal block (+6.4%): the 2026 municipal elections – in line with the investment election cycle – explain the dynamism of local investment in 2025. Illustrating the financial pressures affecting the departments and regions, their capital expenditure decreased by -5.1% and -4.3% respectively. This record level of investment is explained by the replenishment of savings, the dynamism of the FCTVA and increased recourse to borrowing.

(c) Local Authorities' financing requirement and borrowing

Local authorities benefit from two types of resources with which to meet their financing needs: so-called "definitive" resources (mainly tax revenues and allocations from the State) and so-called "temporary" resources that must be repaid (loans).

The Issuer operates in the Local Authority debt market which at 31 December 2025 amounted to approximately €226 billion of which €74 billion for communes, €56.5 billion for EPCIs with tax-raising powers, €35 billion for *départements* and €39 billion for regions. For their part, inter-communal and mixed syndicates have outstanding debt of €21.5 billion.

The stock of local government authorities' (APUL) debt stood at €275.7 billion at the end of 2025, i.e. 9% of GDP and 8% of total public debt (€3,460 billion). According to provisional data from INSEE, the contribution of local government authorities' to government debt is

increasing by €13.2 billion. The increase in the debt of the local government authorities is mainly driven by the municipalities (+€4.9 billion), the departments (+€2.1 billion), the regions (+€2.4 billion) and by Île-de-France Mobilités (+€1.8 billion). The rest of the increase is driven by local authority syndicates and other miscellaneous local administration bodies (ODAL) [7].

Local Authority borrowing requirements (principal and ancillary budgets) in 2025 amounted to €29.5 billion [8]. The table below shows the consolidated indebtedness position of the Local Authorities and inter-municipal and mixed syndicates as of 31 December 2025 [9]

	Communes		**GFP**		***Départements***		**Regions/CTU**		**Interco syndicates**		**Total**	
	Amount (€ bn)	Change 2025/2024	Amount (€ bn)	Change 2025/2024	Amount (€ bn)	Change 2025/2024	Amount (€ bn)	Change 2025/2024	Amount (€ bn)	Change 2025/2024	Amount (€ bn)	Change 2025/2024
Debt repayment	7.08	0.9%	4.73	2.8%	3.29	1.9%	2.71	4.2%	1.86	1.6%	**19.67**	2.0%
New borrowing	9.16	16.3%	7.91	27.7%	5.29	-3.2%	4.19	-13.2%	2.92	7.1%	**29.47**	8.8%
Debt as at 12/31/2025	73.81	2.5%	56.52	6.5%	35.37	5.7%	38.76	2.9%	21.41	5.5%	**225.87**	4.3%

The limited debt burden of Local Authorities must be assessed in the light of their position as the largest public investor.

It is anticipated that in 2026, the capital expenditure and borrowing of Local Authorities could decrease due, on the one hand, to the electoral cycle of investment by municipalities and public finance groups and, on the other hand, to the moderation shown by departments and regions in terms of investments and borrowing in 2025.

(d) Granting of loans

The Issuer and ST work together on public relation matters and initiatives. With the backing of national associations of elected representatives, ST seeks to expand the membership base by providing information to the Local Authorities on the Issuer's purpose, the business concept and the advantages that it offers compared to other sources of funding.

This is why the Issuer has decided not to have a sales agency in each region. It has a streamlined sales team and its employees are mainly centralised in one geographical location, at its registered office in Lyon.

Loan requests can be made through the Issuer's local authorities Portal. Compared to other market players, the Issuer is able to operate with a small staff using this website portal, a full-fledged online bank for Members.

On the credit granting activity of the Issuer, please see section 11 "Main elements of the risk appetite" below.

2.4 Rating policy

Following the entry into force of the Loi Engagement et Proximité (Commitment and Proximity Act), all Local Authorities, their groupings and local public establishments may join the Agence France Locale Group and receive loans from it, provided that they are in a sound financial situation. Therefore, a thorough assessment of the financial circumstances of Local Authorities is carried out prior to any new membership being granted (in parallel with compliance with the ratios of the Decree of 11 May 2020) and reassessments are carried out before any loan is offered with regard both to the criteria specified in the Decree and those laid down in the Issuer's loan granting policy described below:

[7] Source: INSEE, National Accounts for General Government – preliminary results – 2025, Quick Facts, No. 78, 27 March 2026. *The data may be modified when the 2025 national accounts are published on 29 May 2026.*

[8] Unlike the rating agencies (Moody's and Standard and Poor's), AFL consolidates debt and borrowing requirements of local authorities by aggregating the main and ancillary budgets.

[9] Source: 2025 provisional management accounts (AFL calculations and Annex 2C, Report of the Observatory of Local Finance and Public Management,Rapport OFGL 2025_v0930.pdf

Stage 1: financial rating

This rating applies on two occasions, first when the Local Authority applies to join and second when the Local Authority asks for a loan, and it is one of the parts of the final rating given by the Issuer's Credit Committee. The financial rating is based on three cumulative financial criteria and weighted with the following percentages:

- Local Authority's solvency set at 55% (to cover repayment of the debt through gross savings and the gross savings rate);
- The proportion of debt held by the Local Authority capped at 20% (ability to deleverage and debt ratio); and
- Budgetary margins of the Local Authority of at least 25% (the proportion of debt annuities in the operating income and adjustment of ratios in line with the power of the investment rate and net investment expenses).

Ratings are granted on a scale of 1 to 7 (with 1 being the highest and 7 the lowest rating). An applicant Local Authority with a score of 6 or above is not permitted to become a member of Agence France Locale Group.

Given the diversity and specific nature of local public establishments, when considering a funding application, the financial rating used may, in some cases, be impacted by the financial rating of the supervising Local Authority.

Stage 2: socio-economic and qualitative rating

This rating applies only when the Local Authority, once it has become a Member, requests a loan. This rating complements the financial rating and is the Member's system score.

***Systematic* socio-economic analysis** (with the exception of inter-communal and mixed syndicats and local public establishments) based on an assessment of socio-economic indicators (average per capita income, unemployment rate, business start-up rate and population growth rate) and having the impact of reducing or increasing the initial quantitative score by a maximum of 0.5.

Complementary qualitative analysis carried out where there will be significant exposure and/or where the risk level will be high. This analysis looks at areas such as the risks associated with governance (governance stability, quality of financial management, financial outlook, etc.) and environmental risks. To incorporate climate risks into its loan granting policy, the Issuer has developed a climate vulnerability index based on public data from the Ministry of Ecological Transition and available in *open data* (Géorisques, Gaspar).

This qualitative analysis has a bonus/penalty impact on the systematic score of a maximum of 0.5% to give the final score.

The final score granted by the Issuer's Credit Committee sets the (i) size of the loan granted and (ii) its financial conditions.

Since 12 May 2020, the criteria defined in the Decree apply in addition to the internal criteria defined by the Agence France Locale Group. Local Authorities wishing to become a Member must also have a deleveraging capacity, defined as the ratio between outstanding debt at the financial year-end and gross savings for the past year, expressed as a number of years, determined in the penultimate financial year of less than (i) twelve years on average for the last three years for communes, the Ville de Paris, groupings and local public institutions, (ii) ten years on average for the last three years for *départements* and Métropole de Lyon and (iii) nine years on average for the last three years for régions,

the Corsica authority, the authorities of Guyana and Martinique. Where deleveraging capacity is above the specified thresholds, Local Authorities may nevertheless join if current self-financing margin, calculated as an average for the last three years, observed in the penultimate financial year, is less than 100.

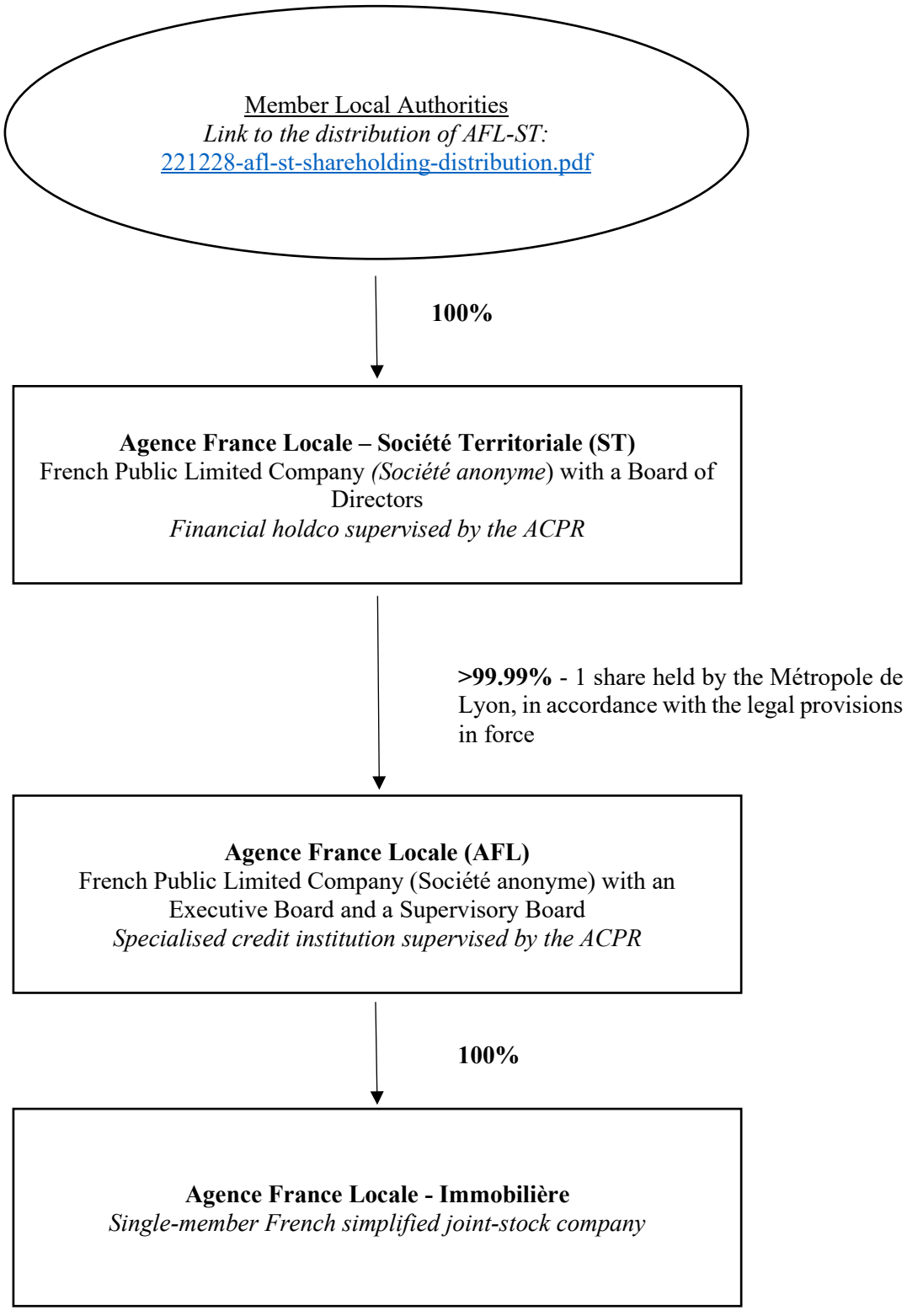
2.5 Loan granting policy

The Issuer's loan granting policy is described in section 11 "*Key elements of risk appetite*" below.

3. ORGANISATIONAL CHART AND SHAREHOLDER DEPENDENCY

3.1 Organisational chart

The organisational chart of Agence France Locale – Société Territoriale and its subsidiaries is as follows:


Member Local Authorities
Link to the distribution of AFL-ST:
221228-afl-st-shareholding-distribution.pdf
100%
Agence France Locale – Société Territoriale (ST)
French Public Limited Company (Société anonyme) with a Board of Directors
Financial holdco supervised by the ACPR
>99.99% - 1 share held by the Métropole de Lyon, in accordance with the legal provisions in force
Agence France Locale (AFL)
French Public Limited Company (Société anonyme) with an Executive Board and a Supervisory Board
Specialised credit institution supervised by the ACPR
100%
Agence France Locale - Immobilière
Single-member French simplified joint-stock company

Presentation of shareholding structure

ST holds almost all of the Issuer's share capital and voting rights (99.99%) and the remainder (namely 1 share) is held by the Métropole de Lyon.

ST thus has control of the Issuer to an extent that will enable it to benefit from the provisions of article L.225-87 of the Commercial Code and the agreements entered into between the Issuer and ST accordingly fall outside the scope of the related party transaction regulations.

ST's shareholder base is exclusively comprised of Local Authorities, which have obtained the required internal authorizations from their relevant governance boards and whose financial position makes eligible to become Members of the Agence France Locale Group.

The number of ST shareholders is expected to increase in lock step with the Agence France Locale Group's expansion to the extent where, in accordance with the provisions Article L. 1611-3-2 of the *CGCT*, the Issuer may only grant loans to Members. This increase in the number of shareholders leads to a correlative drop in each Member's relative weighting in ST's share capital and, therefore, there will be no controlling shareholders.

The Issuer is the sole shareholder in the company Agence France Locale – Immobilière, a company (SAS) established on 30 May 2024, with share capital of €12,500,000, whose registered office is at 112, rue Garibaldi, 69006, Lyon, registered with the trade and companies registry (RCS) of Lyon under number 929 596 583. Its main corporate objects are to hold, manage and let real estate assets, of which part will be let to the Issuer.

Presentation of contractual framework

To govern its operations and, in particular, ensure the stability and the continuity of its shareholder base which contributes both the equity and guarantees needed to accomplish its corporate mandate, the Agence France Locale Group has adopted a specific contractual framework comprising the following documents:

- ST's articles of association essentially made up of ST's governance rules, certain terms for acquiring a stake in its share capital and disposing of shares, as well as certain principles related to the implemented guarantee mechanism, set forth in the section "Description of the Guarantors and the Guarantee Mechanism" in this Base Prospectus;

- The Issuer's articles of association primarily composed of the Issuer's governance rules as well as certain principles related to the aforementioned guarantee mechanism;

- The agreement between ST, the Issuer, each Founding Member and to which every new member of the Agence France Locale Group is expected to become a party primarily addresses (i) entry rules to the Agence France Locale Group, (ii) principles related to the evolution of share capital and the entities comprised in the Agence France Locale Group and (iii) certain terms and conditions in implementing the aforementioned guarantee mechanism.

Presentation of the mechanisms guaranteeing shareholder stability in the Agence France Locale Group

Under the Shareholders' Agreement, ST also has pre-emptive right on any planed disposal of shares by any of the Founding Members.

The Shareholders' Agreement makes further provision for:

- an ST shareholder commitment not to sell their shares until the tenth (10^{th}) anniversary of the full payment of their capital contribution;

- rules making it possible to oversee the effects of any transfer of competency between Local Authorities, whether it relates to a merger or removal of Local Authorities or the creation of an EPCI; and

- procedures ensuring a balanced distribution among the Members of any guarantee calls that are not legally binding on the beneficiaries of such guarantees.

3.2 Interdependence with ST

(a) Structural Dependence

The Issuer has a structurally dependent relationship with ST. ST holds almost all of the Issuer's share capital and therefore has authority in approving on its own any decision to be made by the Issuer's shareholders at their general meetings that does not need to be voted in unanimously. This gives it the advantage of having the authority to appoint representatives to the Agence France Locale Group's governance boards, either directly or indirectly, depending on the relevant board.

Such is the case for the Issuer's Supervisory Board which is in charge of the permanent control of the Issuer's management and assesses the effectiveness of its management on behalf of ST and the Members. Although the membership of this board was designed to guarantee its independence vis-à-vis the Members, a dependence in relation to ST does indeed exists, particularly with respect to the fact that the final appointment of the members of the Issuer's Supervisory Board falls within the remit of the Issuer's shareholders voting on a simple majority, otherwise stated ST's Chief Executive Officer.

ST may also indirectly influence the appointment of the members and the Chairman of its Executive Board, who is vested with the broadest powers to act on behalf of the Issuer, to the extent that such appointment falls within the scope of the Supervisory Board's powers, exercised however under the supervision of the Issuer’s appointments, remuneration and corporate governance Committee, whose members are independent third parties.

(b) Intellectual property dependence

ST is the owner of Agence France Locale's word and figurative trademarks filed with the National Institute of Intellectual Property (Institut National de la Propriété Intellectuelle).

ST has authorised the unlimited use of these logos to the Issuer under a one-year automatically renewable license agreement.

4. TREND INFORMATION

The Issuer has identified certain changes that could impact its business and are set forth below.

The Issuer has begun its 12th year in business and continues its development with the arrival of new member Local Authorities, a regular, rapid and balanced increase in the output of loans and equipment rate of its Members.

As a result the Issuer’s balance sheet has expanded rapidly, a trend which the Issuer considers it is reasonable to believe will continue over the next few years. Already steady between 2015 and 2019, the growth in new members achieved a new milestone in 2020 by reaching more than 100 new memberships in 2022, 177 in 2023, 269 in 2024 and 227 in 2025. This growth is reflected by an increase in the output of loans granted to its Members and increases the need for the Issuer to refinance on the capital markets.

Since 2020, following the law of 27 December 2019 on engagement in local life and proximity of public action, which extended the scope of the entities authorised to join the AFL Group, each year an ever larger number of syndicates join the AFL Group, which has an impact in terms of the demand for long-term loans used to finance such entities' infrastructure spending.

With the gradual putting into place of the prerequisites allowing the various types of local public establishment to be welcomed, new local actors are joining the AFL Group and thereby boosting its continued development.

4.1 Institutional reforms

During the 2017-2022 five year term, the French Government did not wish to engage in major institutional projects following the adoption under the previous mandate of significant institutional reforms (law on the modernisation of regional public action and affirmation of *métropoles* (MAPTAM) dated 27 January 2014; law on regions' boundaries dated 25 November 2014; law on the New Territorial Organisation of the Republic (NOTRe) dated 7 August 2015; law dated 16 March 2015 on improving the new commune regime, supplementing the local authority reform law dated 16 December 2010;…).

On the other hand, local initiatives and trials had been launched, such as the merger of the Haut-Rhin and Bas-Rhin *départements* with the establishment on 1 January 2021 of the "Collectivité Européenne d'Alsace" (CEA). Finally, the proposed reform of the institutional and budgetary structuring of the Métropole du Grand Paris has not occurred to date.

However, following the Grand National Debate held in the spring of 2019, the Government made changes to the NOTRe law of 7 August 2015 via two laws: firstly, the law on engagement in local life and proximity of public action dated 27 December 2019 and, secondly, the law dated 21 February 2022 on differentiation, decentralisation, deconcentration and introducing various measures to simplify local public action (the so-called "3DS" law). This law provides answers and ways to implement public policies in local authority areas and meets the practical expectations of local elected officials. The aim of this law is to facilitate differentiation within the inter-communal communities, to support the role of local authorities in ecological transition, to facilitate the development of public transport, to support the construction of social housing and expand the supply of affordable housing.

The dissolution of the National Assembly in June 2024 interrupted discussions and work on a decentralization bill that was to be presented to parliamentarians at the end of 2024. A first step was taken on 31 May 2024 with the submission of a report by Eric Woerth at the request of the President of the Republic. This report addressed all of the consequences, including financial consequences, of a restructuring of territorial organisation and local authorities and included 51 proposals to improve territorial organisation in France. The report emphasised the need to restore trust between the State, local authorities and citizens and identified the following key points:

- A more precise and coherent distribution of responsibilities between the various levels (*communes, départements, régions*);
- Clearer and more predictable financial resources for local authorities;
- Effective local regulatory power and simplification of standards; and
- Management of the local civil service entrusted to local employers.

At the same time, another report submitted to the Government on 29 May 2024 by Boris Ravignon on the cost of the layers of administration dealt with the intertwining of responsibilities and competences between the State and local authorities, as well as between the local authorities themselves, and concluded that there were savings of about €7.5 billion to be made.

A draft law on decentralisation was sent to the Council of State in early April 2026. The text focuses on strengthening the role of the prefect and reorganising relations between the State and local

authorities, without new transfers of powers, following consultations with the associations of elected representatives.

4.2 Tax reforms

Over the last few years, the Government has distinguished itself with tax initiatives.

Regarding taxation, the gradual abolition of the housing tax on main residences (art. 3 LFI 2018) has been achieved since the end of 2022 (effective for 80% of households as from 2020). For the communes, in order to offset the loss of housing tax income, built property tax (TFB) income of the *départements* was transferred to them, and, like the *départements*, EPCI were allocated a portion of VAT revenue by the State as a compensatory measure. With the loss of TFB revenue, the *départements'* room for manoeuvre on taxes is henceforth considerably reduced.

The 2023 Finance Act abolished the business value added contribution (**CVAE**, a local tax payable by businesses with a turnover above a certain level) over a period of 2 years as from 2023. In practice, the CVAE rate halved in 2023[10]. The reform of the business value added contribution (CVAE) has undergone several adjustments in recent years. Initially scheduled to be abolished in 2024, this abolition was postponed to 2027 by the Finance Act for 2024, then postponed to 2030 by the Finance Act for 2025.

Communes and their inter-communal entities are fully compensated with a portion of VAT equal to the average of the CVAE amounts received between 2020 and 2023. Alongside the abolition of CVAE, the territorial economic contribution (**CET**) cap is being reduced.

These recent local authority financing reforms have gradually made the local authority revenue basket more sensitive to changes in the economic environment, whether for value added tax (VAT), now the leading resource of Local Authorities, or the transfer tax for valuable consideration (DMTO).

4.3 State/Local Authority financial relations and restoring the public finances

The contribution of Local Authorities to restoring the public finances initially involved a reduction of the global operating endowment (**DGF**) by an amount of around €11 billion over the period 2014-2019[11].

Secondly, in return for stable allocations, the State had introduced in 2018 a framework for spending by the largest local authorities via "Cahors contracts" (Public Finance Programming Act No. 2018-32 of 22 January 2018 for 2018-2022 (LPFP 2018-2022)), limiting their growth to 1.2% per year. This scheme was aimed at stabilising public expenditure and reducing debt. It was suspended with the outbreak of the health crisis and was never reinstated.

The public finances programming law (LPFP) 2023-2027 has abandoned the idea of a contract combined with penalties in favour of a scheme for moderation in local government public expenditure involving an increase limited to the rate of inflation – 0.5%, with no penalties attached in the event of failure to comply.

Faced with the scale of the public deficit recorded at the end of 2023 (-5.5% of GDP, compared to an initial forecast of -4.9%), then with the slump in the public accounts in late 2024 (GDP down -5.8%, compared to an initial forecast of -4.4%), the Government has launched several initiatives to identify new sources of budgetary savings in the local government area:

[10] The CVAE rate had already decreased by 50 % with the adoption of the 2021 Finance Act (as part of the recovery plan).

[11] Source: 2014 finance law dated 29 December 2013 and the public finances programming law of 29 December 2014 for the years 2014 to 2019, which enshrines the decrease in State funding as part of local authorities' contribution to the effort to restore the public finances of €11 billion between 2015 and 2017 (amount reduced to €10 billion).

- two expenditure reviews launched in 2023 and carried out by the General Inspectorate of Finance (**IGF**) have sought ways to save money by "*controlling the wage bill and external purchasing of local authorities"*[12] and "*asssessing local authority investments*"[13] ;

- in connection with the preparation of the 2025 draft finance bill, on 2 October 2024, the *Cour des Comptes* published a report on local finance in order in particular to touch upon the issue of "*the contribution of local authorities to restoring the public finances*"[14]. The *Cour des Comptes* insists on the importance of signing new contracts between the State and local authorities to regulate the development of their operating expenditure.

After having set up, with relative success, "territorial financial conferences" in 2025 for the preparation of the 2026 Finance Law the Prime Minister entrusted three parliamentarians with a mission on *"local financial resources"* at the beginning of May 2026. First, they must *"take stock of the effort required of local authorities to consolidate public accounts in 2025 and 2026"*. And, on this basis, they will then have to propose *"a legitimate, fair and acceptable amount and terms and conditions for contribution"* within the framework, this time, of the draft finance law (PLF) for 2027. The second part of the assignment will focus on *"the challenges of aligning the revenue pool of local authorities with the powers they exercise, with the strengthening of their autonomy"*.

Analysis of the potential impacts on the Issuer

In recent years, the following two main factors have affected Local Authority finances:

- Local authority financing reforms (abolition of housing tax in particular) have gradually made the Local Authority revenue basket more sensitive to changes in the economic environment, whether for value added tax (VAT), now the leading resource of Local Authorities, or the transfer tax for valuable consideration (DMTO), an essential resource for *départements*.

- Since 2020, the economic and social consequences of the health crisis followed by the Russian-Ukrainian conflict - in particular, inflation - have required that the State adopt budgetary support measures for Local Authorities. Combined with their management efforts, their financial health remains robust and resilient, with the notable exception of the *départements* that are suffering from the sharp contraction of the real estate market and dynamic social spending. While in 2025 there was a decline in inflation and a recovery in the property market, the geopolitical context arising from the war in Iran now carries risks of inflation and rising interest rates. This situation is likely to hinder economic activity and should result in higher expenditure and lower revenue for local authorities.

Finally, the globally favourable financial indicators for Local Authorities in recent years should mask neither the wide disparities existing between different Local Authority segments, or within each segment, nor the challenges that they are all facing: the constraints on public finances and financing of the ecological transition.

Such developments should nevertheless not have any significant adverse impact on the loan issue activity for the Issuer.

5. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Agence France Locale Group's governance is based on a dual structure, as required by legislator, so as to separate the responsibilities with respect to management, control and shareholder representation in accordance with the recommendations of the Basel Committee.

[12] Source : https://www.igf.finances.gouv.fr/igf/accueil/nos-activites/rapports-de-missions/liste-de-tous-les-rapports-de-mi/masse-salariale-et-achats-et-cha.html

[13] Source: https://www.igf.finances.gouv.fr/igf/accueil/nos-activites/rapports-de-missions/liste-de-tous-les-rapports-de-mi/linvestissement-des-collectivite.html

[14] Source: *Cour des comptes*, *Les finances publiques locales 2024* - Sheet 2: https://www.ccomptes.fr/fr/publications/les-finances-publiques-locales-2024-fascicule-2

ST's governance is described in paragraph 4.1 of the section entitled "Description of the Guarantors and the guarantee mechanism" of this Base Prospectus.

The Issuer's effective management is carried out by its executive board (the **Executive Board**) under the permanent control of a supervisory board (the Supervisory Board). This organisation makes it possible to have a checks and balance procedure in place and holds key stakeholders within the company more accountable.

5.1 Membership of the administrative, management and supervisory bodies

(a) The Issuer's Executive Board directors

The membership of the Executive Board as of the date of this Base Prospectus is set forth below:

Forename, surname Date and place of birth	***Offices held and functions performed Professional address***	***Offices held and functions performed within the Group as at the date of this Base Prospectus***	***Offices held and functions performed outside of the Group on the date of this Base Prospectus***
Mr Yves Millardet Born on 24 August 1964 in Vannes, (56260)	Chairman of the Executive Board Corporate officer pursuant to Article L. 511-13 of the French Financial and Monetary Code 112, rue Garibaldi, 69006 Lyon, France	Deputy Chief Executive Officer of AFL-ST As Chairman of the Issuer's Executive Board, permanent representative of the Issuer in its capacity as sole shareholder of Agence France Locale - Immobilière	– Member of the Board of Directors of EAPB (European Association of Public Banks) – Standing representative of Agence France Locale, member of the bureau of the Board of Directors of OCBF – General Manager of SCI 3 plage – General Manager of SCI 13 Koz-Ker
Mr Pierre-Jean Bagilet Born on 16 January 1987 in Aurillac (15000)	Member of the Executive Board Chief Financial Officer Chief Executive Officer Corporate officer pursuant to Article L. 511-13 of the French Financial and Monetary Code 112, rue Garibaldi, 69006 Lyon, France	None	None
Ms Laurence Leydier Born 13 May 1974 in Clamart (92140)	Member of the Executive Board Director of Memberships and Credit Manager responsible within the meaning of article L. 511-13 of the monetary and financial Code. 112, rue Garibaldi, 69006 Lyon, France	None	None
Mr Olivier Roullé Born on 27 May 1965 in Louviers (27400)	Member of the Executive Board Secretary General Corporate officer pursuant to Article L. 511-13 of the French Financial and Monetary Code 112, rue Garibaldi, 69006 Lyon, France	None	– Member of the Board of Directors of Club utilisateurs SAB – General Manager of SCI Vanael

(b) Supervisory Board directors

Membership of the Supervisory Board as of the date of this Base Prospectus is set forth below:

Forename, surname Date and place of birth	***Offices held and functions performed, professional address***	***Offices held and functions performed within the Group as at the date of this Base Prospectus***	***Offices held and functions performed outside the Group at 15 July 2026***
Mr Sacha Briand Born 11 December 1969 in Villeneuve Saint Georges (94190)	Chairman of the Supervisory Board 112, rue Garibaldi, 69006 Lyon	Vice-Chairman of ST's Board of Directors	– Vice-President of Métropole de Toulouse, responsible for finance – Deputy Mayor of the city of Toulouse, responsible for finance, elections and modernisation of public action – Regional councillor of the Région Occitanie, member of the Finance Committee and of the Transport and Infrastructure Committee – President of EPFL Grand Toulouse – Member of the trade union committee of SDEHG – Member of the trade union committee of SM Tisséo Collectivité – Member of the Board of Directors of SPL Tisséo Ingénierie – Member of the Board of Directors of EPIC Tisséo Voyageurs – Lawyer and member of the Toulouse Bar
Ms Marie Ducamin Born 11 August 1967 in Saint-Denis (93200)	Vice-chair of the Supervisory Board 112, rue Garibaldi, 69006 Lyon, France	Chairman of the Board of Directors of ST	– Director of the SEMOP for the urban heating network of Rennes Métropole – Member of the Board of Directors of the Association Nationale des Pôles d'Equilibre Territoriaux et Ruraux et des Pays (ANPP – project territories) – Member of the Local Finance Committee – Director –Ille-et-Vilaine Mayors' Association – Vice-president of Archipel Habitat (OPH in Rennes Métropole) – Director of SEM des Transports Collectifs de Rennes Métropole -Trajectoires-Semtcar – Director of SPL de Rennes Métropole - Citédia Métropole
Mr Olivier Landel Born on 9 January 1963 in Paramé in Saint-Malo (35400)	Member of the Supervisory Board Member of the strategy and responsible commitments Committee Member of the appointments, remuneration and corporate governance Committee 112, rue Garibaldi, 69006 Lyon	Adviser to the Chief Executive Officer of the ST (salaried positions under a fixed-term contract expiring on 31/12/2026)	– Member of the Scientific Board of the Observatoire TERRITORIA – Member of the strategic board of the École urbaine de Sciences-po Paris – Member of the Board of Directors of HEDATE – Member of the Advisory Scientific Steering Board of the CHEM

Forename, surname Date and place of birth	*Offices held and functions performed, professional address*	*Offices held and functions performed within the Group as at the date of this Base Prospectus*	*Offices held and functions performed outside the Group at 15 July 2026*
Ms Sophie L'Hélias Born on 30 December 1963 in Paris (75014) France **Independent member**	Member of the Supervisory Board Chair of the Appointments, Remuneration and Corporate Governance Committee 112, rue Garibaldi 69006 Lyon	None	- Member of the Board of Directors of IWG Plc - Independent director of Herbalife Ltd. - Member of the High Committee on Corporate Governance (HCGE) - Independent consultant to ImpactXXchange SAS - Member of the Board of Directors of SICAV Echiquier Positive Impact - Independent director and member of the governance, strategy and CSR committee, Africa50 Infrastructure fund - Fellow, The Conference Board, ESG Center – Founder and President, LeaderXXchange LLC
Ms Marie Lemarié Born 4 January 1972 in Savigny-sur-Orge (91) **Independent member**	Member of the Supervisory Board Member of the Supervisory Board Chair of the Audit Committee 112, rue Garibaldi, 69006 Lyon, France	None	– Director of Internal Audit, SCOR Group – Member of the Board of Directors and Audit Committee of Getlink – Member of the Board of Directors of SCOR Ireland – Member of the Board of Directors and Audit Committee of EIFFAGE
Ms Sophie Souliac-Dallemagne Born 30 April 1970 in Argenteuil (95) **Independent member**	Member of the Supervisory Board Chair of the Risks Committee Member of the appointments, remuneration and corporate governance Committee 112, rue Garibaldi, 69006 Lyon	None	– CEO, Hiram Finance France
Mr Julien Denormandie Born 14 August 1980 in Cahors (46) **Independent member**	Member of the Supervisory Board Member of the strategy and responsible commitments Committee 112, rue Garibaldi, 69006 Lyon	None	– Chair of the Strategic Committee, KEPREA – Member of the Board, *Think Tank Coalition et Territoire* – Member of the Supervisory Board, RAISE – Chief Impact Officer, SWEEP – President, HMAGi SASU – Director, Neoproprio (formerly Fleximmo) – Director, Sustainable Finance Institute (IFD)
Ms Estelle Grelier Born on 22 June 1973 La Roche-Sur-Yon (85) **Independent member**	Member of the Supervisory Board Member of the appointments, remuneration and corporate governance Committee 112, rue Garibaldi, 69006 Lyon	None	– Chairman, SAUR France – Director, SAUR Solidarités – Chair, GRIM HOLD – Chair of the Fédération des Entreprises de l'eau (FP2E) – Member of the Board of Directors of Compagnie des Eaux de Royan (CER)

Forename, surname Date and place of birth	*Offices held and functions performed, professional address*	*Offices held and functions performed within the Group as at the date of this Base Prospectus*	*Offices held and functions performed outside the Group at 15 July 2026*
Ms Lydie Assouline Born on 11 March 1960 in Casablanca (Morocco) **Independent member**	Member of the Supervisory Board Member of the Risk Committee 112, rue Garibaldi 69006 Lyon	None	None
Mr Olivier Labe Born on 13 October 1969 in Paris (XXth) **Independent member**	Member of the Supervisory Board Member of the Audit Committee Chairman of the Strategy and Responsible Commitments Committee 112, rue Garibaldi, 69006 Lyon, France	None	– CFO and Member of the Executive Committee of BNG Bank – Member of the Steering Group, Public Sector Issuer Forum, ICMA
Mr Bertrand de Mazières Born on 3 July 1957 in Villecresnes (94) **Independent member**	Member of the Supervisory Board Member of the Audit Committee 112, rue Garibaldi 69006 Lyon	None	– Member of the Board of Directors, the Risk Committee and the Accounts Committee of BNP PARIBAS – Member of the Board of Directors and Chairman of the Audit Committee, International Finance Facility for Immunization (IFFIm) – Member of the Strategy Committee, Agence France Trésor

Forename, surname Date and place of birth	*Offices held and functions performed, professional address*	*Offices held and functions performed within the Group as at the date of this Base Prospectus*	*Offices held and functions performed outside the Group at 15 July 2026*
Mr Philippe Rogier Born on 25 January 1965 in Toulouse (31)	Member of the Supervisory Board Member of the Audit Committee Member of the Supervisory Board Member of the strategy and responsible commitments Committee Member of the appointments, remuneration and corporate governance Committee 112, rue Garibaldi, 69006 Lyon	Chief Executive Officer of AFL-ST	– Chair of the Association Chai Les Senons
Ms Véronique McCarroll Born on 19 March 1964 in Belfast (Northern Ireland) **Independent member**	Member of the Supervisory Board Member of the Risk Committee Member of the strategy and responsible commitments Committee 112, rue Garibaldi, 69006 Lyon	None	– Independent Director, Moonstone Lending Fund – Independent Director and Chair of the Risk Committee, Bank of Georgia
Mr François Thomazeau Born on 8 November 1985 in Rennes (35) **Independent member**	Member of the Supervisory Board Member of the strategy and responsible commitments Committee	None	– Director of the "Local Authorities and Adaptation" programme, Institut de l'Economie pour le Climat I4CE – Associate lecturer, Université Clermont d'Auvergne-CERDI

5.2 Conflicts of interest

To the Issuer's knowledge, there is no significant actual or potential conflict of interest between the duties of the directors mentioned in paragraph 5.1 of this "Description of the Issuer" section with regard to the Issuer and their private interests and/or other duties. The risks of potential conflicts of interest are mitigated by traditional mitigation measures (declaration, reporting).

However, it should be noted that certain members of the Supervisory Board not considered independent under its internal rules of procedure may be viewed as having ties with Local Authorities, and these local authorities may be both ST shareholders and the Issuer's clients. To ensure complete independence in its management, the Issuer's articles of association stipulate that more than half of the

Supervisory Board's members must be independent (see 6.2(a) below). In addition, the Supervisory Board has adopted a Code of Conduct and a conflict of interest management policy, requiring in particular prior declaration of any potential conflict of interest risk.

6. OPERATION OF THE ADMINISTRATIVE BODIES

6.1 Executive Board

(a) Membership of the Executive Board (article 14 of the articles of association)

(i) Membership and appointment procedures

The Executive Board has at least two (2) members and a maximum of five (5).

The members of the Executive Board and its Chairman are appointed by the Supervisory Board, acting by a simple majority.

A maximum of one-third of the Executive Board's members may be over 70 years old. If the number of its members over 70 years old exceeds more than one-third of the Executive Board, the oldest member will be deemed as having resigned automatically from office.

(ii) Length of the terms of office of the Executive Board members

The members of the Executive Board are appointed for a four-year (4) term, renewable according to the aforementioned majority requirements. The term of office ends at the ordinary shareholders' meeting called to vote on the accounts for the recent financial year held during the year in which their term of office expires.

(b) Powers of the Executive Board (article 14 of the articles of association)

The Executive Board members collectively manage the Issuer.

The Executive Board is vested with the broadest powers to act on behalf of the Issuer. It exercises these powers within the limit of the corporate purpose and subject to those powers expressly conferred by French law or the articles of association to the Supervisory Board and the shareholders' meetings.

The Issuer is bound by the actions of the Executive Board even if such actions are beyond the scope of the corporate purpose, unless it can prove that the third party knew that the relevant action was beyond the scope of the corporate purpose or had constructive knowledge thereof in view of the circumstances. The publication of the Company's articles of association alone shall not constitute such proof.

The Executive Board submits, at least quarterly, a report to the Supervisory Board describing the major operations and/or events that have occurred in the Issuer's management.

Within three months of the financial year end, the Executive Board prepares and submits to the Supervisory Board the annual financial statements and, where relevant, the consolidated financial statements, for verification and control. It makes a proposal on how to allocate the profit or loss for the recently completed financial year.

The Executive Board convenes the general shareholders' meetings, sets the agenda and carries out the decisions made by the shareholders.

(c) Deliberations of the Executive Board (article 14 of the articles of association)

The Executive Board shall meet at least once a month or as frequently as the Issuer's interest requires. It shall be convened to meetings by its Chairman, its Chief Executive Officer (if such position exists) or by half of its members at its registered office or at any other location indicated in the meeting notice.

For a deliberation to be valid, at least half of the members have to effectively attend the meeting. Members attending Executive Board meetings via video-conferencing, which meets the technical specifications to confirm their actual attendance and transmit the deliberations live, shall be considered present when calculating quorum and majority requirements, except when adopting decisions provided for in Article L.225-37 of the French Commercial Code.

Deliberations are made by a simple majority. In the event of a tie, the Chairman has the casting vote.

(d) Corporate officers (dirigeants responsables)

The duties of the corporate officers, pursuant to Article L. 511-13 of the French Monetary and Financial Code, are collectively carried out by all of the Executive Board members, in accordance with the ACPR's position related to the appointment of "executive directors (dirigeants effectifs)" as this term is defined in Article L. 511-13 and Article L. 532-2, paragraph 4 of the French Financial and Monetary Code.

(e) Compensation of the Executive Board members

In accordance with article 16.4 of the Issuer’s articles of association, the Supervisory Board determines the nature and amount of compensation paid to each member of the Executive Board and reviews it on an annual basis.

It is noted that the Issuer did not provide any share purchase or subscription options to the members of the Executive Board in 2025. Likewise, no performance shares were allocated to members of the Executive Board in the 2025 financial year.

6.2 Supervisory Board

(a) Supervisory Board directors

(i) Number of members and number of independent members (article 15 of the articles of association, Article 2 of the internal rules of procedure)

The membership of the Supervisory Board was selected in order to achieve the key objectives described below:

- ensure that the Supervisory Board has the proficiency and expertise with respect to the technical issues of overseeing the management of a specialised credit institution;
- ensure that the profiles of its members are diversified in order to have a deep understanding of as many issues as possible;
- ensure its independence with respect to the Executive Board, the Board of Directors and the Members of the Agence France Locale Group.

The drafting of the articles of association, following the amendments made by the general meeting of the Issuer's shareholders held on 4 May 2023, has further strengthened these competency and independence requirements.

Under the terms of the articles of association, the Supervisory Board has a minimum of eight (8) and a maximum of eighteen (18) members, including:

(a) the Chairman of ST's Board of Directors;

(b) the Vice-Chairman of ST's Board of Directors;

(c) ST's chief executive officer;

(d) at least one expert with extensive knowledge on issues related to Local Authority financing;

(e) a minimum of five (5) members recognised for their professional expertise in banking, finance and/or risk supervision; and

(f) it may also include one or more members recognised for their professional expertise in any area relevant to the Company's proper supervision (other than the areas already listed in paragraphs (d) and (e) above), at the discretion of the Supervisory Board.

It is the responsibility of ST's Board of Directors, acting upon the recommendation of the Issuer's compensation, appointments and corporate governance Committee and ST's compensation, appointments and corporate governance Committee, to put forward for appointment members of the Supervisory Board (other than automatic members referred to in paragraphs (a), (b) and (c) above).

As stipulated in the Issuer's articles of association, the majority of the members of the Supervisory Board must in any event be recognised for their professional expertise in banking, finance and/or risk supervision.

Furthermore, the majority of the members of the Supervisory Board must be independent members, provided that, as may be necessary, by nature, the automatic members of the Supervisory Board referred to in paragraphs (a), (b) and (c) above are not independent members.

The Supervisory Board's internal rules of procedure define the term "independence" of a member, in accordance with the criteria defined in the AFEP-MEDEF Code.

The independence of a member, which is deliberated on by the Issuer's Nomination, Remuneration and Corporate Governance Committee on a case-by-case basis and in light of each member's specific situation, implies (i) the absence of any relationship whatsoever with the Issuer, its group or its management and (ii) the absence of a specific interest with respect to the Issuer or its group. An assessment of the independence is made taking into careful consideration the following criteria:

- an independent member must not be or have been in the five (5) years prior to his or her appointment:

  (i) an employee of the Issuer or ST;

  (ii) a member of the Issuer's Executive Board; or

(iii) a member of ST's Board of Directors or its Chief Executive Officer, Deputy Chief Executive Officer or General Secretary;

- an independent member must not be a close relative with a person holding one of the positions specified in paragraphs (i) to (iii) above or with any other member of the Supervisory Board;
- an independent member must not be an officer in a company in which the Issuer holds, directly or indirectly, a corporate office;
- an independent member must not be a client, supplier, investment banker or adviser:
  - of the Issuer or ST in any material manner or
  - a client, supplier, investment banker or adviser for which the Issuer or ST represents a significant proportion of their activities;
- an independent member must not be an elected representative or employee of a Local Authority that is a shareholder of ST;
- an independent member must not be or have been a statutory auditor (CAC) of, or audit service provider to, the Issuer or ST in the five (5) years prior to their appointment;
- an independent member cannot remain on the Supervisory Board for more than twelve years; it being herein stated that such member shall lose his/her independent status only at the end of the term of office during which the twelve-year term was exceeded.

No individual over 70 years of age shall be appointed to the Supervisory Board if his/her appointment increases to more than one-third the number of Board members over 70.

If the number of its members over 70 years old exceeds more than one-third of the Supervisory Board, the oldest member will be deemed as having resigned automatically from office.

(ii) Length of the terms of office of the Supervisory Board (article 15 of the articles of association)

Supervisory Board members are appointed for a four (4) year term, renewable by a simple majority. The Issuer's shareholders determine the terms of their appointment under the same majority rules.

The Supervisory Board members' term of office ends at the ordinary shareholders' meeting called to vote on the accounts for the recent financial year held during the year in which their term expires.

Members of the Supervisory Board may be reappointed.

(iii) The number of Issuer shares held by members of the Supervisory Board

There is no requirement in the Issuer's articles of association for the members of the Supervisory Board to hold shares of the Issuer.

(b) The duties of the Supervisory Board

The Supervisory Board's internal rules of procedure supplement the legal, regulatory and statutory provisions on the rights and duties of the Supervisory Board members and reflect the recommendations set forth in the AFEP-MEDEF Code. They must comply with the obligations set forth in the Supervisory Board's internal rules of procedure (RI), whose terms are summarised below:

(i) General obligations

Prior to accepting office, each Supervisory Board member should ensure that he or she is familiar with the general or specific obligations entrusted to him/her. In particular, he or she should familiarise himself/herself with relevant laws and regulations, the Issuer's articles of association and the Supervisory Board's internal rules of procedure that are binding upon him or her in all of their provisions.

(ii) Duty of loyalty and management of conflicts of interest

The members of the Supervisory Board shall under no circumstance put their own interests before those of the Issuer.

Each member of the Supervisory Board has the duty to report to the Supervisory Board any actual or potential conflict of interest between him/her (or any individual who is a close family member or relative), the Issuer or a company in which the Issuer is a shareholder or a company with which the Issuer intends to enter into any type of agreement.

The Supervisory Board member in question must in particular refrain from attending and taking part in the vote on the resolution with which he or she has a conflict of interest as well as any discussions leading up to such vote, unless it pertains to a current agreement entered into on an arm's length basis.

(iii) General disclosure obligation

In accordance with applicable laws and regulations in both France and Europe, each Supervisory Board member shall submit to the Supervisory Board all of the information related to (i) the compensation and benefits-in-kind he or she received from the Issuer, (ii) offices held or duties performed for any other company or legal entity and (iii) any convictions.

(iv) Duty of discretion

As a general matter, all of the documents and material from the Supervisory Board meetings and disclosures obtained during or outside of these meetings pertaining to the Agence France Locale Group, its business and its outlook are confidential without exception, whether or not the disclosure was presented as confidential. Each Supervisory Board member should consider that he or she is bound by a strict duty of professional secrecy, extending beyond the mere duty of discretion provided for by the laws and regulations.

(v) Duty of care

Each Supervisory Board member must dedicate the necessary time and attention to their duties. Each Supervisory Board member shall be diligent to attend in person, whether face-to-face or by video-conference or other telecommunications methods,

all Supervisory Board meetings and at any meeting of a committee set up by the Supervisory Board of which he or she is a member, except in the event of an unavoidable impediment.

Members of the Supervisory Board cannot be represented at Supervisory Board or its committee meetings, proxies not being permitted.

(vi) Documentation obligation

The Supervisory Board is entitled to useful, complete, relevant, timely and honest information.

The Supervisory Board as a whole, together with each of its members in an individual capacity, can request any documents they believe to be useful or necessary to their work.

Members of the Supervisory Board have an obligation to obtain relevant documents and in turn they are entitled to obtain the information they request.

Members of the Supervisory Board address their requests for information to the Chairman of the Supervisory Board, who is tasked with ensuring that such requests are met.

The Supervisory Board must inform the Executive Board where is it not able to carry out its work with full knowledge of the relevant information.

Throughout the activities of the Issuer, each member of the Supervisory Board must alert the Supervisory Board and the Executive Board of any specific and urgent situations.

(vii) Training obligation

Under the aegis of the Nomination, Compensation and Corporate Governance Committee, each new member of the Supervisory Board is required to receive training on the structure and operation of the Issuer in order that he or she thoroughly understands the division of the competences and role of ST's and the Issuer's respective governance boards to avoid any misunderstanding or non-transparency related to the structure.

The Issuer has put in place a comprehensive training programme, elaborated by the appointments, compensation and corporate governance Committee, to give all Supervisory Board members a complete understanding of the Issuer’s particular characteristics, its operations, business sector, and the regulations, risk management and controls required of it.

(c) Powers of the Supervisory Board (Articles of association and Internal Rules of Procedure of the Supervisory Board)

The Supervisory Board defines the overall strategic plan and is in charge of the permanent control of the Issuer's management and assesses its effectiveness on behalf of ST and the Members. It conducts the checks and controls it deems appropriate at any time throughout the year and may request any documents it considers necessary in performing its duties.

Within such context, the following decisions fall within the remit of the Supervisory Board acting by a simple majority:

- appointment of the Executive Board members and the setting of their compensation;
- candidate selection for the Chairman of the Executive Board;
- dismissal of the chairman of the Executive Board from his position;
- dismissal of members of the Executive Board;
- conferral of power of representation to one or more members of the Executive Board;
- co-opting members of Supervisory Board;
- authorisation, pursuant to the provisions of Articles L. 225-86 et seq. of the French Commercial Code, of agreements entered into either directly or through a third party with the Issuer and a member of the Executive Board or a member of the Supervisory Board or ST;
- authority to convene a general meeting;
- annual compulsory review of the Issuer's policy on equal work opportunities and equal pay;
- appointment of members on the Supervisory Board's sub-committees;
- approval of the Chairman's internal control report; and
- distribution of corporate officers' remuneration (formerly known as directors' attendance fees).

Furthermore, the Executive Board cannot make the following decisions without the prior authorisation of the Supervisory Board acting as a simple majority:

- sale of real estate assets, total or partial sales of shareholdings and grant of securities;
- key strategic, financial or technological decisions on behalf of the Issuer and the drafting of its annual funding policy;
- strategy and decisions pertaining to the launch of new businesses, takeover of companies, entry into any alliances or partnerships, any asset transfers, including universal asset transfers equal to or in excess of one million euros (€1,000,000), and more broadly, any investment or divestment equal to or in excess of one million euros (€1,000,000);
- decisions pertaining to the award of stock options or equivalent securities as well as free share grants to directors and officers;
- decisions pertaining to financial transactions that may substantially alter the Issuer's financial structure which were not taken into consideration in preparing the annual funding policy;
- draft resolutions to be submitted for the approval by the shareholders, pursuant to article L. 228-92 of the French Commercial Code, related to the issuance of securities that may or may not grant the right to a percentage of the share capital or voting rights and the setting of the terms and conditions of the issuances of such securities; and

- proposals to distribute dividends and related transactions.

(d) Deliberations of the Supervisory Board (Articles of association and Internal Rules of Procedure of the Supervisory Board)

The Supervisory Board meets at least quarterly and as frequently as the Issuer's interests require.

The Supervisory Board meetings are presided over by its Chairman or its Vice-Chairman in his absence.

The Supervisory Board member fulfilling the role of Chairman of the Board of Directors of Agence France Locale – Société Territoriale is automatically vice-chairman of the Supervisory Board, whose function is to stand in for the Chairman in the event of their unavailability or death. In the event there is no Vice-Chairman, the Supervisory Board elects from its members a meeting chairperson.

The Supervisory Board can only hold valid deliberations if at least one-third of its members are present. The decisions of the Supervisory Board are made acting on a simple majority of the votes of members in attendance or represented; each member in attendance can only represent one other member.

In the event of a tie, the acting chairman of the Supervisory Board shall have the casting vote.

Members attending Supervisory Board meetings via video-conferencing or other forms of telecommunication, which meet the technical specifications set forth by applicable laws and regulations, shall be considered present when calculating quorum and majority requirements according to the terms stipulated in the Supervisory Board's internal rules of procedure.

(e) Non-voting Supervisory Board members (*Censeurs*)

The general meeting of the Issuer's shareholders held on 4 May 2023 amended the Issuer's articles of association by authorising the Supervisory Board to appoint up to three natural persons as non-voting members (*censeurs*) on such board, with the aim of strengthening the collective competency of the Supervisory Board whilst at the same time identifying a potential pool of candidates whenever new members are being appointed to the Supervisory Board.

Each *censeur* must satisfy the following conditions:

- satisfy the independence criteria set out in the AFEP-MEDEF Code; and
- not be an elected official or employee of a local authority shareholder of ST.

They participate in a purely advisory capacity at meetings to which they are invited.

They are subject to the same duties as other members of the Supervisory Board.

6.3 Supervisory Board Committees

In certain areas, the Supervisory Board's work and discussions are prepared by specialised committees, comprised of Supervisory Board members appointed by the Supervisory Board for the duration of their term of office. They handle matters that come under their authority or, where applicable, matters entrusted to them by the Executive Board. They report regularly on their work to the Supervisory Board and submit to it their observations, opinions, proposals and recommendations.

The Supervisory Board also relies on the work and diligence performed by the following four specialised committees:

- the Audit Committee;
- the Risks Committee;
- the Appointment, Compensation and Corporate Governance Committee; and
- the Strategy and Responsible Commitments Committee.

The Supervisory Board appoints from among the members of a committee the person to fulfil the role of Chairman of such Committee. The Chief Executive Officer of Agence France Locale - Société Territoriale is automatically a member of each Committee.

(a) The Audit Committee

(i) Membership of the Audit Committee

The Audit Committee has at least three members, including its Chairperson. They are chosen by the Supervisory Board from amongst its members, except for the Supervisory Board chairman, who do not hold a management position at the Issuer.

At least two-thirds of the Audit Committee's members must be independent.

The Audit Committee's Chairperson is elected among the independent members.

The members of the Audit Committee as at the date of this Base Prospectus are identified in section 6.1 above.

(ii) Responsibilities of the Audit Committee

(A) Financial information

The Audit Committee oversees the process by which financial and accounting information is prepared and disseminated, assesses the relevance and consistency of the accounting principles and methods used to prepare the annual and quarterly financial statements, takes all possible care to ensure the accuracy of the financial and accounting information, and finally gives the Supervisory Board its assessment on the work and diligences carried out by the statutory auditors and its opinion as to whether to reappoint them.

(B) External control

The Audit Committee is also tasked with verifying the effectiveness of control of the Issuer regarding financial information, in particular the external control performed by the statutory auditors.

(iii) Functioning of the Audit Committee

The Audit Committee meets at least twice a year.

The Supervisory Board sets the dates for Audit Committee meetings, without prejudice to the provisions of its internal rules of procedure regarding convening committee meetings.

More generally, the Audit Committee shall be informed by the Issuer's Executive Board and the statutory auditors of any event that could expose the Issuer to a material risk. Under their sole responsibility, the Issuer's Executive Board members or the statutory auditors assess the materiality of the risk.

(b) The Risks Committee

(i) Composition of the Risks Committee

The Risks Committee has at least three members, including its Chairperson. They are chosen by the Supervisory Board from amongst its members, except for the Supervisory Board Chairman, who do not hold a management position at the Issuer.

At least two-thirds of the Risks Committee's members must be independent.

The Risks Committee's Chairperson is elected among the independent members.

The members of the Risks Committee as at the date of this Base Prospectus are identified in section 6.1 above.

(ii) Responsibilities of the Risks Committee

(A) Internal control and risk management

The Risks Committee is tasked with verifying the efficacy of the Issuer's internal control and risk management systems and procedures.

The Risks Committee examines the key focuses of the Issuer's risk management policy, based on measurements of risks and profitability provided to it in accordance with applicable regulations, as well as on its analyses of specific issues related to these matters and methods.

The Risks Committee also handles all compliance related issues, particularly in respect of reputation risk or professional ethics.

The Risks Committee reviews the report on risk measurement and monitoring. Twice a year it examines the internal control operations and findings, based on the information provided by the Issuer's general management, as well as the compliance and periodic control reports submitted by the permanent control managers. It reviews the exchanges of correspondence with the ACPR's Department of Legal and General Corporate Affairs.

(B) External control

The Risks Committee is also tasked with verifying the efficacy of the Issuer's external control.

(iii) Functioning of the Risks Committee

The Risks Committee meets at least twice a year.

The Supervisory Board sets the dates for Risks Committee meetings, without prejudice to the provisions of its internal rules of procedure regarding convening committee meetings.

The Risks Committee shall be informed by the Issuer's Executive Board of any event that could expose the Issuer to a material risk. Under their sole responsibility, the Executive Board members assess the materiality of the risk.

(c) Appointment, Compensation and Corporate Governance Committee

(i) Membership of the Appointment, Compensation and Corporate Governance Committee

The Appointment, Compensation and Corporate Governance Committee has at least three members.

The Chairman of the Appointment, Remuneration and Corporate Governance Committee shall be elected from among the independent members.

The members of the Appointment, Remuneration and Corporate Governance Committee as at the date of this Base Prospectus are identified in section 6.1 above.

(ii) Powers of the Appointment, Compensation and Corporate Governance Committee

With respect to the appointment process, the Appointment, Compensation and Corporate Governance Committee is tasked with the following:

- assisting the Supervisory Boarding in putting forward candidates for the Supervisory Board and its sub-committees and the Executive Board;
- selecting potential candidates for the Supervisory Board meeting the independence criteria and submit such list of candidates to the Supervisory Board;
- preparing the succession of the aforementioned candidates.

More generally, the Appointment, Compensation and Corporate Governance Committee is also in charge of submitting recommendations on the compensation plans for the members of the Supervisory Board, the executive compensation plan and any type of profit-sharing plan for the Issuer's employees and the members of the governance boards of entities controlled by the Issuer.

(iii) Operation of the Appointment, Compensation and Corporate Governance Committee

The Appointment, Compensation and Corporate Governance Committee is governed by the applicable laws and regulations as well as by the provisions of the Issuer's articles of association and the Supervisory Board's internal rules of procedure.

(d) Strategy and Responsible Commitments Committee

(i) Membership of the Strategy and Responsible Commitments Committee

The Strategy and Responsible Commitments Committee has at least three members, including its chairperson.

The members of the Strategy and Responsible Commitments Committee as at the date of this Base Prospectus are identified in section 6.1 above.

(ii) Powers of the Strategy and Responsible Commitments Committee

The Strategy and Responsible Commitments Committee reviews and oversees the roll out of the Issuer's strategy plan as well as any of its strategic projects or transactions. It therefore formulates its opinion on:

- the Issuer's key strategic focuses (including the medium-term business plan);
- the Issuer's development policy;
- the large-scale financing or refinancing projects or programmes that the Issuer expects to carry out;
- the multi-year strategic guidelines in terms of social and environmental responsibility.

The Strategy and Responsible Commitments Committee also studies and examines:

- drafts of strategic agreements and partnerships involving significant sums;
- more generally, any type of significant project or undertaking. The Strategic Committee's chairperson assesses the materiality of a project submitted by the Issuer's management and makes his/her decision particularly in light of the amount of the commitments related to such project.

As a general rule, the Strategy and Responsible Commitments Committee issues an opinion on any other strategic issue put forth by the Supervisory Board.

(iii) Operation of the Strategy and Responsible Commitments Committee

The Strategy and Responsible Commitments Committee is governed by the applicable laws and regulations as well as by the provisions of the Issuer's articles of association and the Supervisory Board's internal rules of procedure.

6.4 Corporate governance code

In the interests of transparency and information to the public, the Issuer has decided to comply with corporate governance principles, as defined by the recommendations issued by AFEP and the MEDEF in the AFEP-MEDEF Code.

In this context, the Issuer's Supervisory Board adopted a set of internal rules of procedures reflecting the key provisions of this code. In order to reflect its own specific circumstances, the Issuer has nevertheless decided to depart from or adjust certain of these provisions as set forth below.

(i) Balanced representation of men and women on boards (Article 7.2 of the AFEP-MEDEF Code and Article L.225-69-1, para 1 of the Code de Commerce)

The AFEP-MEDEF Code recommends a balanced representation of men and women on the Supervisory Board.

Article L. 225-69-1, paragraph 1 of the Code, as amended, sets a target of at least 40% representation of each gender on the supervisory board. The Issuer does not fall within the scope of this text.

However, the Issuer has voluntarily adopted the provisions of the AFEP-MEDEF Code and as a result enjoys greater flexibility in achieving this target.

As of the date of this Base Prospectus, the Supervisory Board is composed of 7 women and 8 men, i.e. a proportion of 46.67/53.33 in favour of men.

The Issuer upholds gender equality and diversity in general as one of its core values. At the time of this Base Prospectus, the Issuer's Executive Board moreover comprises 1 woman and 3 men, and, at 31 December 2025, 41 % of staff were women and 59 % men.

(ii) Representation of Company employees on the Supervisory Board (article 9 of the AFEP-MEDEF Code)

The Issuer has elected to disapply the provisions of article 9 of the AFEP-MEDEF Code: given its streamlined economic model, in particular its limited staff numbers, comprising around 40 permanent employees, its articles of association do not allow for the appointment of employee representatives to the Supervisory Board.

(iii) Waiver of shares to be held by the Supervisory Board members (Article 24 of the AFEP-MEDEF Code)

Finally, contrary to the recommendations of the AFEP-MEDEF Code, the members of the Supervisory Board do not hold any shares in the Issuer or ST. This principle stems from the structure of the Agence France Locale Group, whose shareholding is intended to be composed solely of ST's shareholder members, in accordance with article L. 1611-3-2 of the local authorities general code (CGCT).

7. PRINCIPAL SHAREHOLDERS

The description of ST, the Issuer's direct majority shareholder, is set out in paragraph 4 of the section "Description of the Guarantors and the Guarantee Mechanism" of this Base Prospectus.

8. LEGAL AND ARBITRATION PROCEEDINGS

Please see paragraph 9 of the General Information section of this Base Prospectus.

9. ADDITIONAL INFORMATION

As of the date of this Base Prospectus, the Issuer is a French limited liability company with an Executive Board and Supervisory Board governed by applicable laws and regulations as well as its articles of association.

9.1 Share capital

On 17 June 2026, the Issuer closed a new capital increase. Following this capital increase, the Issuer's share capital amounts to two hundred and seventy-two million, six hundred and forty-two thousand, seven hundred and forty-five Euro and thirty-one centimes (€272,642,745.31), divided into two million eight hundred and ninety-three thousand seven hundred and fifty-six (2,893,756) shares, all of which are fully subscribed, fully paid up and of the same class.

9.2 Indebtedness represented by securities

At 31 March 2026, the amount of debt represented by a security of the Issuer, in accordance with the IFRS as adopted by the European Union, totalled €11,375 million. Between 1 January and 20 July 2026, the Issuer proceeded with bond issues for a total principal amount of €1,001 million and redeemed bond issues in a total principal amount of €775 million.

9.3 Memorandum and articles of association

As of the date of this Base Prospectus, the Issuer is a French limited liability company (société anonyme) with an Executive Board and Supervisory Board governed by French law and registered with the Lyon Companies and Trade Register under number 799 379 649.

- In accordance with the provisions of article 2 of the articles of association, the Issuer's corporate purpose consists of carrying out all or part of the transactions described in accordance with the license's terms, including:
  - granting loans and, where applicable, receiving deposits or other reimbursable funds from the public and carrying out any related operation with a view, in particular, to granting loans to Members, local authorities, their groupings and local public establishments, as well as to any entity that would be legally authorised to participate in the mechanism implemented by the Agence France Locale Group, subject to their membership in accordance with the articles of association of ST;
  - borrowing funds, particularly through debt issuances with institutional and retail investors, or by any other means;
  - providing support to Members in connection with their funding by the Issuer;
  - providing Members financial advice or any other financial or administrative service specifically related to any of the Issuer's financial, credit or loan transaction;
  - performing, if necessary, arbitration, brokerage and commission transactions;
  - providing ST, where necessary, certain administrative, legal, financial, accounting, business, management or consultancy resources and services; and
  - generally carrying out transactions of any kind, whether they be economic, legal, financial, civil or commercial in nature, that may be related, directly or indirectly, to any of the above purposes or to any similar or related purpose.

10. MATERIAL AGREEMENTS

Other than the agreements described below, there are no material agreements (other than contracts entered into in the ordinary course of business) that confer rights, or place obligations, on the Issuer that may have a material impact on the Issuer's ability to perform its obligations to the Noteholders under the Notes.

10.1 Agreements related to the IT system

For the implementation and maintenance in an operational state of its IT system, the Issuer has entered into contracts for supply, managed services and "software-as-a-service" (SaaS) hosting agreements with SBS Software, a recognised operator and publisher of banking software, EquensWorldline, a leader in the set-up and hosting of online portals and electronic payment solutions, Regnology, European publisher of financial and regulatory reporting software, and Orchestrade, a market finance software company. The Issuer has also entered into an outsourcing and hosting contract for its information system with Cloud Temple, including the provision of Cloud services for hosting in the Public Cloud by Microsoft Azure and for operating in "*Infrastructure as a Service*" (IaaS) mode.

With regard to SBS Software, the Issuer benefits from:

- the provision of integrated banking software based on SAB-AT modules supplied as standard by the company SBS Software, and adapted to the needs of the Issuer;

- SaaS hosting and operating of the banking solution, on the basis of the Issuer's requirements particularly in terms of performance, service level, security and confidentiality of data and infrastructure, continuity and contingency plans in the event of system failures, and system reversibility to allow, if necessary, for the Issuer to change supplier.

EquensWorldline provides the Issuer with:

- a web portal to receive and process members' requests and interconnected with the SAB-AT banking solution provided by SBS Software;

- portal hosting, operating and maintenance on the basis of the Issuer's requirements particularly in terms of performance and service level, data and infrastructure security and confidentiality, continuity and contingency plans in the event of system failures, and system reversibility to allow, if necessary, for the Issuer to change supplier.

With regard to Orchestrade, the Issuer benefits from:

- software for managing its market operations, interconnected to the SAB-AT banking solution provided by SBS Software, to the Microsoft Azure decision-making environment and to Bloomberg quotation feeds.

- software hosting, operating and maintenance on the basis of the Issuer's requirements particularly in terms of performance and service level, data and infrastructure security and confidentiality, continuity and contingency plans in the event of solution failures, and solution reversibility to allow, if necessary, for the Issuer to change supplier.

With regard to Regnology, the Issuer benefits from:

- financial and regulatory data processing software to meet French and European requirements (RUBA, FINREP, COREP, ...), interconnected to the Microsoft Azure decision management environment;

- the hosting, operation, and maintenance of this software taking the Issuer's requirements into account especially in terms of performance and service levels, data and infrastructure security and confidentiality, business continuity and contingency plans to remedy any solution failures, and reversibility of the solution supplied to allow the Issuer to change provider if necessary.

With regard to Cloud Temple:

The services entrusted to Cloud Temple are part of a global contractual framework of managed services on the Issuer's technical architecture, combining outsourcing, cloud hosting, cybersecurity and the provision of software tools.

In this respect, the contracted services are as follows:

- A base for outsourcing and operating the information system on Azure, comprising:

  - maintenance in operational conditions (RUN/MCO);
  - operational steering of services;
  - provision of support resources and local assistance.

- Oversight and monitoring capabilities, based in particular on:

  - technical supervision systems;
  - mechanisms for collecting and analysing journals (logs).

- A comprehensive managed cybersecurity system, structured around:

  - a shared SOC operating continuously (24/7);
  - an Azure-based SIEM;

- CERT services;
- vulnerability management;
- support in security governance.

- An operated cloud and network infrastructure, including:

  - hosting on Azure with intra-European replication;
  - secure interconnections (VPN, load balancing).

- Additional and on-demand services, allowing:

  - access to an on-call service;
  - ad hoc expert services.

- A software and licence management component, including:

  - the provision of Cloud Temple tools;
  - the management of Microsoft licences (Microsoft 365, Teams, Power BI, etc.).

To do this, the Issuer has concluded:

- a contract with SBS Software which will expire on 31 March 2029.
- a contract with EquensWorldline with a contractual end date of 31 December 2027;
- a contract with Orchestrade which will expire on 31 July 2030.
- a contract with Regnology France, due to expire on 31 December 2026.
- a contract with Cloud Temple, due to expire on 14 June 2028.

As regards Microsoft Azure, the Issuer benefits from:

- essential cloud hosting IT resources: virtualized servers, processing capacity, data storage capacity and network components.
- Decisional and Collaborative software solution operating capacity, taking into account the Issuer's requirements in terms of performance and service levels, data and infrastructure security and confidentiality, business continuity and rescue and reversibility plans in order to remedy any failures of the IT resources employed.

Given the SaaS, IaaS and managed services models that have been selected, some of the Issuer's hardware (including all of the equipment and operating software infrastructure necessary for the business IT system) is outsourced to these service providers.

Sub-contractors of the service providers also provide certain functionalities and features.

The IT system is being developed in accordance with the guidelines validated by the Issuer. The main goal of these guidelines is to guarantee the performance, risk management, uniformity and scalability of the IT system.

10.2 Agreement related to the outsourcing of the Issuer's middle office activities

The Issuer has outsourced the performance of certain Middle Office tasks relating to market activities to Société Générale.

This outsourcing includes collateral management, valuation, position keeping and reconciliation, management of the Issuer's EMIR obligations, and administrative management of market operations.

10.3 Agreement related to the Issuer's internal audit and permanent second-level accounting control

The Issuer outsourced the performance of second-level permanent accounting control missions to Forvis Mazards Conseil Finance SAS, under a contract signed in March 2025 and due to expire upon completion of the missions relating to the 2026 financial year.

The Issuer has outsourced the performance of periodic controls to PricewaterhouseCoopers Audit (or PwC) under the responsibility of the President of the Executive Board of the Issuer. This arrangement is governed by a 3-year contract which was renewed in early 2024. The facility is implemented in accordance with a three-year plan which aims to cover all of the Issuer's tasks and functions, focussing on the main areas of risk. It provides quarterly reviews and monitoring of recommendations, and it generates an annual summary for review by governance bodies.

11. KEY ELEMENTS OF RISK APPETITE

Since its creation, the AFL Group has put in place a comprehensive risk control system aimed at identifying, measuring, supervising and controlling the risks of all kinds weighing on its activity. This mechanism covers all of the risks to which the AFL Group is subject.

Risk appetite represents the level of risk that the AFL Group is prepared to take in order to achieve its strategic objectives. The risk appetite of the AFL Group is conservative; the Issuer, like comparable institutions in Northern Europe, conducts its lending to French local authorities by limiting all the risks associated with its activity. Reviewed annually, the risk appetite is validated by the Board of Directors of the AFL-ST and the Supervisory Board of the Issuer.

The risk appetite includes a framework for controlling risks by limits and is expressed in financial policies. The internal processes for assessing the adequacy of capital and liquidity make it possible to assess the sensitivity of the AFL Group's risk situation to uncertainties.

The main characteristics of the AFL Group's risk appetite are the following:

Rating of French local authorities

Each Member local authority is rated before any loan is granted. The assessment of a Member's credit score is based on a quantitative rating based, on the one hand, on financial indicators and, on the other hand, on socio-economic indicators (NSE). This quantitative rating, consisting of two scores, applies to all credit applications and makes it possible to obtain a system score. In addition, a qualitative analysis may be carried out according to the risk profile or the amount granted.

The Issuer takes into account the environmental, social and governance (ESG) factors and risks likely to impact the creditworthiness of borrowers in its credit granting policy. The Issuer takes into account:

- social risks in its credit granting policy via the rating, the socio-economic impact of the rating of local authorities integrating social factors such as the unemployment rate or per capita income; and
- governance risks in its policy of granting credit via rating. Indeed, the qualitative approach developed for some local authorities incorporates aspects of governance while knowing that overall local public management is considered to be robust and stable due to a particularly restrictive legal and budgetary framework.

To incorporate the environmental factor into its loan granting policy, the Issuer has moreover developed a climate vulnerability index based notably on public data from the Ministry of Ecological Transition and Météo France. Using this system it is possible to measure the vulnerability of French local authorities to climate events and to incorporate climate risks into its credit risk analysis. As of today, the climate vulnerability indicator demonstrates that the great majority of French local authorities are only slightly vulnerable to climate-related events.

Credit risk on French local authorities

All French local authorities - regions, *départements*, communes - their groupings and local public institutions, regardless of their size, can join the Agence France Locale, provided that they are in a

healthy financial position. This financial position is assessed on the basis of a rating system that is internal to the Issuer and, since May 2020, on the basis of two criteria established by Decree[15].

The two criteria established by Decree for a local authority to be able to join are the following:

- Its deleveraging capacity calculated on the average of the last three years must be below a threshold of 9 years for the regions and the single territorial local authorities, 10 years for *départements* and the Lyon Metropolitan Area, 12 years for communes, the City of Paris, groupings and local public institutions.
- If the 1st criterion does not meet the threshold set by the Decree, its current self-financing margin also calculated on the average of the last three years must be less than 100%.

A local authority may only join and receive loans from the Issuer if its financial rating is between 1 and 5.99 inclusive; the financial rating is calculated according to the methodology specific to the Issuer validated by the AFL-ST Board of Directors on a scale ranging from 1 (best rating) to 7.

The following limits govern the provision of loans.

The Issuer offers its Members a range of simple loans: medium- and long-term amortisable loans at a fixed or variable rate over the entire term of the loan, with or without a mobilisation phase, and cash facilities. The distribution of any structured product is prohibited.

The status of Shareholder Member of AFL-ST is a necessary condition for obtaining a loan from the Issuer but it does not, in itself, confer a right to a loan. In particular, Member local authorities whose final rating is equal to or greater than 6 will not obtain any loans from the Issuer.

The outstanding debt granted to a local authority by the Issuer is limited to an amount that may not exceed 80% of the total outstanding debt of the local authority (except for local authorities for which the amount of debt is less than €10 million) with a decreasing sliding scale ceiling according to the rating.

The average score weighted by the outstanding value of the loan portfolio must be less than 4.5.

The average maturity of the loan portfolio weighted using the amounts outstanding must be less than 20 years; exceptionally, the Issuer will grant loans with a maturity of up to 30 years or even 40 years.

In its risk appetite framework, the Issuer undertakes to maintain at below 10% the proportion of loans granted to 0% non-weighted local authorities.

Credit risk linked to the liquidity cushion

The investment of the notes in the liquidity cushion is governed by strict rules. The management of the liquidity cushion has two objectives:

- To ensure the liquidity of the Issuer under all circumstances, in order to be able to meet all outflows of funds related to its banking activity, regardless of market conditions; and
- To protect the earnings of the Issuer under the constraint of risk control, by preventing the carrying of liquidity from amputating the latter.

To this end, the liquidity cushion is mainly invested in bond and money market securities rated by issuers in the sovereign, supranational, public agencies and local authorities sector in the European Economic Area and North America, in real estate bonds as well as bank securities and deposits. Accessory sources of diversification are possible in a limited way:

[15] Decree No. 2020-556 of 11 May 2020 on the application of Article L. 1611-3-2 of the French General Territorial Local Authorities Code (cf. D.1611-41 of the *CGCT*).

- Investment in securities in the same sectors outside of the European Economic Area and North America;
- Investment in the securities of other public sector issuers; and
- Investment in the securities of less liquid or unrated public sector issuers for a limited portion of the liquidity pool.

Authorised issuers must have a rating of at least A- on the Standard & Poor's scale.

The average lifespan of the reserve is limited to 3.5 years. Depending on their category, rating and geographical area, the maximum duration of eligible securities is variable and up to and including 15 years.

The main limitations imposed on the management of the reserve are the following:

- Exposure to issuers not domiciled in the European Economic Area or North America is limited to 25% of the reserve;
- Exposure to banking institutions (excluding those guaranteed by sovereigns) is limited to 30% of the liquidity reserve;
- Investment in property bonds is limited to 25% of the reserve;
- Exposure to securities issued by companies and public sector entities is limited to 30% of the reserve;
- The liquidity cushion holds a maximum of 25% of securities in foreign currencies;
- For the purposes of good liquidity, at least 70% of the liquidity cushion consists of assets of very high credit quality and very high liquidity ("HQLA" meaning High Quality and Liquidity Assets).

This management – although defensive – cannot exclude the default of a counterparty or an issuer.

The hedging of the risks of changes in interest rates put in place leaves the Issuer with particular exposure to the spread risk of the securities in the reserve, which materialises the evolution of the issuers' credit risk. This risk is likely to weigh on the bank's prudential equity capital through the possible existence of unrealised losses.

Liquidity risk

As the refinancing of the Issuer is totally dependent on the financial markets, it has a particularly conservative liquidity policy. The Issuer's financial strategy in terms of liquidity is based on three axes, the purpose of which is to limit the three components of liquidity risk, namely illiquidity risk, funding risk and liquidity conversion risk:

- The establishment of a liquidity cushion of significant size:

The tool used to measure this objective is the Net Cash Requirement Ratio (NCRR), which makes it possible to verify that the cushion of liquid assets can handle 80% of foreseeable needs over a rolling 12-month horizon. This ratio is managed within a range of 60% to 100%. As at 31 December 2025, the Issuer has a liquidity cushion of €2.2 billion which corresponds to an NCRR ratio level of 101% representing an ability for the Issuer to conduct its activities without raising funds on the markets for a period of 12 months.

In order to secure the repayment of future medium- and long-term issues three months in advance, the Issuer undertakes to hold an amount of monetary assets including deposits with the Banque de France corresponding to the debt losses of the period net of certain cash inflows.

At the same time, the LCR (Liquidity Coverage Ratio) regulatory ratio must be respected; this makes it possible to verify that the Issuer's reserve allows it to meet its 30-day liquidity needs under the stress

scenarios. The regulatory requirement is 100%. The 30-day regulatory liquidity coverage ratio (LCR) was 485% as at 31 December 2025.

- A diversified funding strategy:

The Issuer pursues an issuance strategy that aims to diversify its funding sources by investor type, maturity, geographical area and currency, in order to avoid any excessive concentration of refinancing and to limit its funding risk. These issues mainly include bonds traded on a regulated market, in the form of benchmarks or private placements, under this Programme and also, and to a lesser extent, debt instruments marketable on the money market, under a programme called the ECP (Euro Commercial Paper) programme. The Issuer may also issue bonds under this Programme redeemable at the option of the Issuer before their maturity up to a maximum of 10% of its liabilities.

- A limitation on the conversion of the balance sheet:

The balance sheet includes amortisable loans among its assets and debts among its liabilities, in both cases hedged in terms of interest rates and exchange rates. Unlike loans recorded as assets, debts recorded as liabilities are not depreciable, the Issuer is therefore subject to a conversion risk or liquidity price risk. The Issuer strongly limits its conversion, measured by two ratios.

The average life difference or "AL difference" corresponds to the average maturity difference between assets and liabilities and measures the conversions carried out by the Issuer; the activity is controlled in order to limit this difference to 18 months. Nevertheless, breaches of the 18-month limit could be seen, for example, during peaks in credit production. Such overruns must be temporary and limited to a period of no more than 6 months from the date of observation of the overrun. In such cases, the AL difference must never exceed 24 months.

The Net Stable Funding Ratio or "NSFR" matches the Issuer's stable funding (over 12 months) to the long-term financing needs. The regulatory requirement is 100%.

In addition, over a period of 20 years, the nominal value of the loans granted by the Issuer after amortisation must not exceed the greater of the promised ICC and prudential equity capital.

This policy, although conservative, cannot fully protect the Issuer against liquidity risk. For example, the Issuer remains sensitive to the refinancing risk, i.e. to the risk of not being able to raise resources at competitive levels on distant maturities or the liquidity risk related to the margin calls inherent in the hedging derivatives necessary for its hedging policy.

Interest rate and currency risk

The Issuer does not want the results generated by the activity or its equity capital to be sensitive to the level of interest rates or currency exchange rates. To this end, the Issuer has put in place an almost systematic policy of hedging the instruments on its balance sheet via derivatives.

The systematic subscription, during issues or investments in foreign currencies, of (mirrored) swaps relating to currencies reduces the entire balance sheet of the Issuer to exposure to the Euro only.

The Issuer varies almost all of the fixed-rate items on its balance sheet, on a 3-month Euribor basis as well as in a limited manner on a €STR basis by setting up interest-rate swaps, with the exception of the assets of an unhedged exposure envelope, as a replacement for equity capital including, in particular, fixed-rate loans, certain bridge loans, certain reserve securities and a liability envelope including unhedged debts issued by the Issuer.

These policies allow the Issuer to substantially limit the sensitivity of its earnings and its equity to changes in interest rates or exchange rates, but they do not desensitize them in their entirety. In particular, the balance sheet remains sensitive to a limited extent to shifts in interest rates when these are in negative territory, to the accounting inefficiency of the hedges put in place, to the basic risks

between the different rates to which the balance sheet items remain exposed, to a fixing risk linked to the different fixing dates of the variable rates present on its balance sheet. These also have the consequence of converting the currency or interest rate risks to which the Issuer is initially exposed into counterparty risk due to the resulting exposure to the counterparties of the swaps and a liquidity risk related to margin calls. The counterparty risk linked to hedging transactions is mainly limited, on the one hand, by the collateralisation of the exposure linked to these hedging transactions from the first Euro and, on the other hand, by the processing of these transactions, to a large extent, via a clearing house.

Sensitivity to interest rate risk is controlled by the regulatory indicator of sensitivity of the net present value of the Issuer's economic value to a change in interest rates as well as by the AFL Group's indicator of sensitivity of the net interest margin to a change in interest rates.

Given different rate impacts, the decrease in the current net value must not exceed 15% of its prudential equity capital.

In the event of a change in rates of plus or minus 2%, the decrease in the net interest margin must not exceed 5% of its prudential equity capital.

Non-financial risks

The non-financial risks to which the Issuer is exposed consist of operational risks (loss related to a process defect, human, systems or external event), non-compliance risk, legal risk and reputational risk.

Because of its public banking model, the Issuer has a very low appetite for all these non-financial risks. This very low appetite does not prevent the possible occurrence of non-financial risks, consubstantial with the performance of the Issuer’s operations, in particular in the context of a sharp increase in the volumes processed.

The Issuer has set itself the objective of fixing the deductible of its main insurance policies at a percentage of its net banking income, while ensuring coverage of a majority of the types of feared events that may generate extreme losses, within the limit of a ceiling.

In accordance with the regulations, the Issuer has put in place a system for the systematic analysis of operational incidents which provides for the reporting of significant incidents to the supervisory authorities, according to criteria set by them and reviewed every year. The threshold for reporting significant incidents is set at €1 million, in line with the minimum level required by the regulations.

Calculated according to the standardised method applicable under the CRR3 prudential regulations, the own funds requirement for operational risk is determined on the basis of the regulatory activity indicator and amounts to €3.7 million as at 31 December 2025.

Minimum requirements in terms of capital rations for risk appetite

In order to have sufficient capitalisation, the AFL Group undertakes to respect a minimum level of equity capital. In particular, the Issuer undertakes to maintain a minimum bank leverage ratio of over 2.25%. The Issuer undertakes to maintain an adjusted solvency ratio of more than 40%.
The bank leverage ratio does not take into account regulatory exemptions and includes in the numerator, hybrid debt issues intended to be or recognised as AT1 and in the denominator exposures to local authorities in the total exposure measurement.

The adjusted solvency ratio corresponds to the regulatory ratio except for the weighting of exposures to local authorities, which are assigned an adjusted weighting of 3%.

11.1 Issuer's regulatory capital requirements

Variation in equity capital

With effect from 31 December 2025, AFL notified the ACPR that it was waiving the benefit of the exemption from the application of prudential requirements on an individual basis provided for in Regulation (EU) no. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No. 648/2012, as amended (**CRR**), as a result of which it would no longer benefit from Article 7(1) of the CRR (the **Derogation**). Indeed, until that date, AFL was subject to consolidated prudential supervision at the level of its parent company AFL-ST only. The ACPR notified AFL on 4 December 2025 that it had taken note of this waiver of the Derogation with effect from 31 December 2025.

Consequently, the perpetual subordinated debt securities issued by AFL on 17 December 2024 are now recognised for regulatory purposes as Additional Tier 1 Capital within the meaning of Article 51 of the CRR (Additional Tier 1 Capital or AT1) of AFL and the AFL Group with effect from the expiry date of the Derogation, namely 31 December 2025, as the CRR makes the ACPR's recognition of AT1 debt conditional upon direct supervision by the ACPR

To this end, AFL now publishes its equity capital ratios at the level of the Issuer and also at the level of the AFL Group.

Capital requirement expressed as a leverage ratio

The Issuer's leverage ratio as of 31 December 2025 was 2.59%, above the minimum threshold of 2.25% of the risk appetite of the AFL Group.

The CRR Regulation establishes a separate leverage ratio definition for public development credit institutions, allowing them to exclude certain assets, such as claims on regional or local governments, from the ratio denominator, with a minimum regulatory requirement set at 3%. On 11 March 2021, the Issuer was recognised by the ACPR as a public development credit institution. The "public development institutions" leverage ratio for the Issuer was 12.58% as of 31 December 2025, well above the regulatory requirement of 3%.

Capital requirement expressed as solvency ratio

The prudential weighting under the standard approach for credit exposures changed during 2024. On 21 June 2024, the Supervisory College of the ACPR adopted a decision allowing communes, *départements*, regions and inter-communal cooperation public establishments (EPCI) with tax-raising powers, to be treated as French central government. As a result, the Issuer's exposures to these local authorities can be subject to the 0% risk weighting.

As of 31 December 2025, the total equity capital prudential requirement applicable to the Agence France Locale Group is 11.45%:

- the minimum requirement of 8%;
- a requirement relating to the capital conservation buffer set at 2.5%.
- a countercyclical capital buffer requirement applicable to French exposures of 0.95%.

Indeed on 2 January 2024, the Financial Stability Board decided to set the countercyclical capital buffer level applicable to French exposures at 1%. Applied to the Issuer's eligible exposures, it generates an additional requirement of 0.95%.

With a "Tier 1" solvency ratio of 68.71% as at 31 December 2025, the Issuer exceeds the applicable prudential requirements.

11.2 Organisational structure

The Issuer is the employer of almost the entire salaried staff at the Agence France Locale Group.

As at 31 December 2025, the Issuer's workforce consisted of 42.32 FTEs. According to the Issuers' current estimates this number will gradually increase over time, in line with its activity.

1° On 1 April 2026

AFL announces the signing of an agreement for the acquisition of a French real estate vehicle (covered bonds)

AFL, the bank for local authorities, announces the signing of an agreement for the acquisition of the société de crédit foncier (SCF) GE SCF S.C.A., a vehicle for the issuance of real estate bonds (covered bonds).

This transaction forms part of AFL's strategy to diversify its refinancing tools, with a view to optimising its access to the financial markets and preserving competitive, stable and sustainable financing conditions for French local authorities, in a context where the French State's credit rating is deteriorating.

Diversification of AFL's refinancing tools

Since 2024, AFL's refinancing cost on the bond markets, and more generally that of institutions in the French public sector, has increased significantly, following the downgrade of the French State's credit rating.

In this context, AFL has decided to continue its strategy of diversifying its refinancing tools, in order to strengthen its competitiveness on the financial markets and the sustainability of its model, for the benefit of its shareholder local authorities.

AFL enters into a firm offer for the acquisition of GE SCF S.C.A.

With this in mind, AFL has entered into an agreement with GE Capital Global Holdings, LLC, for the acquisition of the *société de crédit foncier* GE SCF S.C.A.

This project aims to provide the bank with a vehicle for the issuance of *obligations foncières* (i.e. covered bonds), in addition to its senior debt issuances. The use of such a tool will enable AFL to access a broader and more diversified investor base and, over time, to optimise its funding cost.

Obligations foncières (covered bonds), meet these expectations, as they generally benefit from a high rating, favourable risk weighting and qualification as high-quality liquid assets (HQLA 1).

Acquisition framework

Completion of this transaction, which could take place during the second semester of 2026, remains subject to the satisfaction of customary conditions precedent, including the receipt of the necessary regulatory approvals.

Concrete benefits for local authorities

AFL thereby intends to improve, on a lasting basis, the financing conditions offered to local authorities, while securing their access to credit for their investment projects.

This approach is fully in line with AFL's founding mission: to provide its shareholder local authorities with secure, transparent and competitive financing, based on broad investor diversification and using all available tools.

"Through this transaction, we are activating all leverage at our disposal to address a very concrete issue for local authorities: the cost and security of their financing. Our priority is to guarantee the continuity of local public investment and to strengthen AFL's role as a long-term financial partner, fully

committed to serving the financial sovereignty of French local authorities," explains Yves Millardet, Chairman of AFL's Management Board.

2° Simplification bill: progress towards the recognition of a 0% risk weighting for the Issuer's debt securities, in support of the financing of local authorities

The simplification bill, which will soon be examined by Parliament, provides in Article 26 for the possibility for the shareholders of AFL-ST to adapt their guarantee scheme in order to make it possible to recognise a 0% risk weighting either for the Issuer or for the securities issued by it.

This text represents an important step for the Issuer, which is continuing its efforts with a view to ultimately obtaining recognition of a 0% risk weighting for its debt securities.

This project is the result of an initiative undertaken by the Issuer over several years, carried out in conjunction with the competent authorities, with the objective of contributing to the improvement of the financing conditions offered to local authorities. It is in this context that, on 21 June 2024, the ACPR issued its decision to assign a 0% risk weighting to the debt of French local authorities, without the Issuer being able to benefit from it as an issuer of debt securities. The adoption of this bill would enable the Issuer, the bank for local authorities, to benefit from a risk weighting aligned with that of its shareholders and borrowers. Such recognition would help strengthen the attractiveness of the Issuer's signature on the financial markets and would be consistent with the objective of improving the financing conditions offered to local authorities.

DESCRIPTION OF THE GUARANTORS AND THE GUARANTEE MECHANISM

1. DESCRIPTION OF THE GUARANTEE MECHANISM

The Notes issued by the Issuer benefit from a dual guarantee mechanism granted by (i) each of the Members, the Member Guarantees, and (ii) ST, the ST Guarantee:

- at the time of subscribing to a Medium-Long Term Loan with the Issuer, each Member grants a guarantee commitment capped at a level equal at all times to the total amount of its outstanding Medium-Long Term Loans vis-à-vis the Issuer;

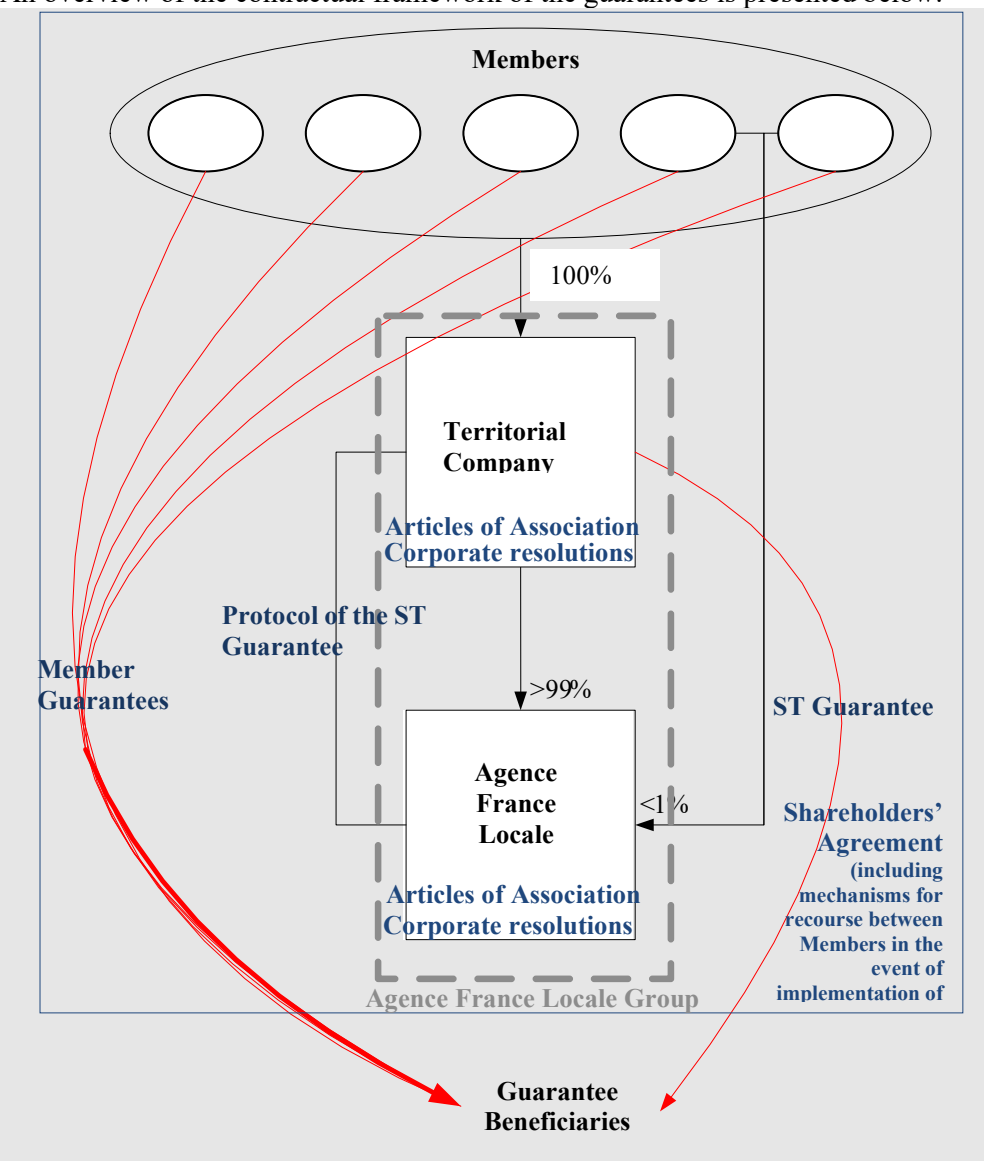
- ST grants a guarantee the amount of which changes periodically. For each Tranche of Notes issued under the Programme the Individual Ceiling (as defined below) of the ST Guarantee is disclosed in the Final Terms relating to the relevant issue and may not be less than the total amount of the issue.

The business plan actually indicates, without constituting a commitment from the Issuer, that approximately 70% to 80% of the total amount of borrowings issued by the Issuer on the market (including Notes issued under the Programme) will be used to extend Medium-Long Term Loans to Members. The remaining 20% to 30% will be held back both to ensure that the Issuer has available cash resources, in accordance with its regulatory obligations and good management practices and to enable Liquidity Facilities to be offered to Members on the terms and subject to the limits set by the Issuer's financial policies, as set out in paragraph 2.5 of the "Description of the Issuer" section of the Base Prospectus.

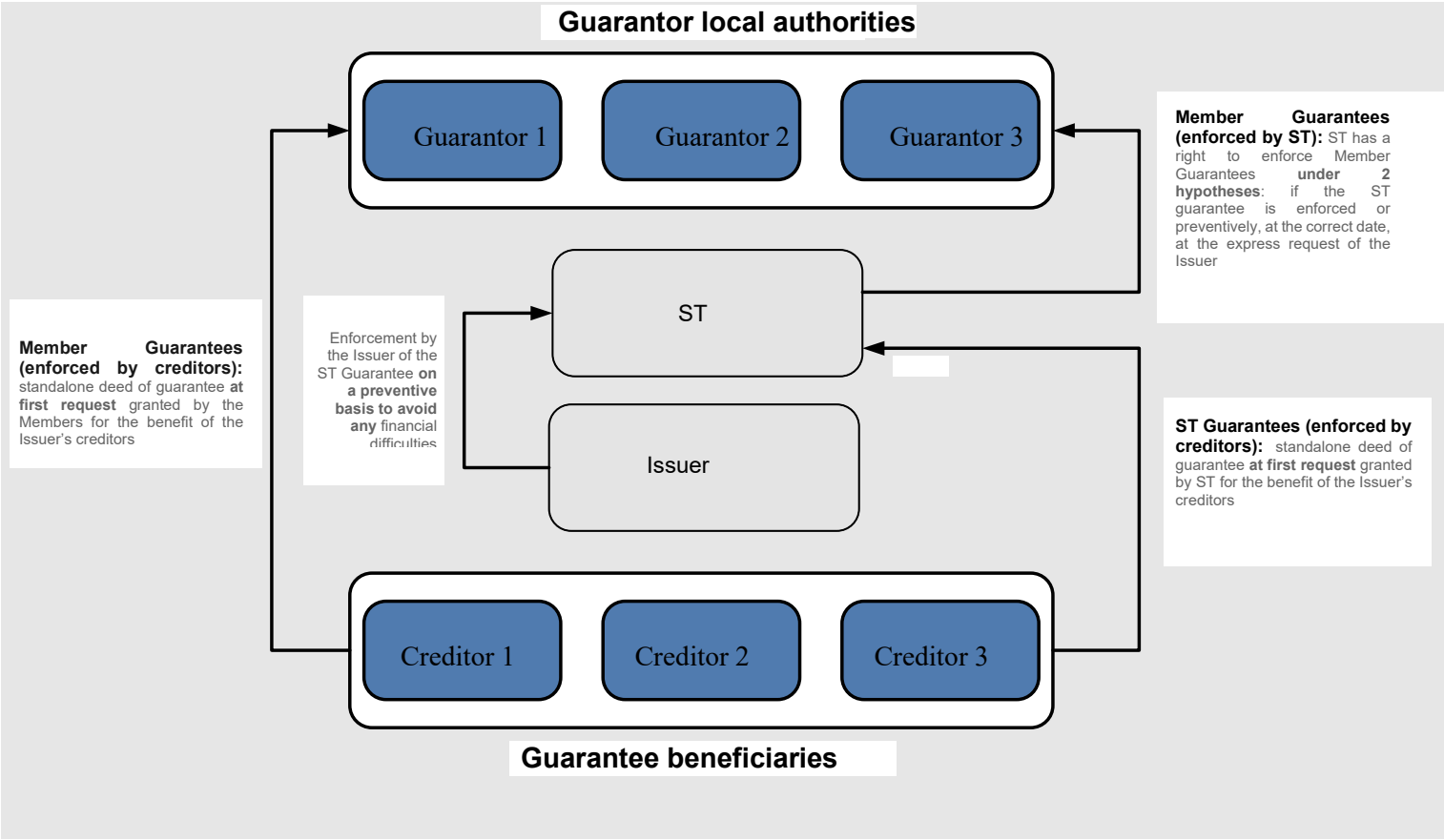
In terms of the ST Guarantee, the total guaranteed amount under the ST Guarantee is expected to be at least equal to the amount of funds raised by the Issuer on the capital markets principally through the issuance of bonds under the Programme and notes issued under the Issuer's euro commercial paper programme as well as other financial commitments (such as banking facilities and hedging operations) that the Issuer has entered into and which both benefit from the ST Guarantee.

The total amount guaranteed under the ST Guarantee cannot in any circumstances be greater than a maximum amount set by ST's Board of Directors (the **ST Guarantee Maximum Ceiling**). The ST Guarantee Maximum Ceiling has been increased by a decision of ST's Board of Directors on 28 September 2018 and thereby raised from €5,000,000,000 to €10,000,000,000, then increased again by decision of ST's Board of Directors of 13 June 2022 to €15,000,000,000 and increased again by a decision of ST's Board of Directors on 11 June 2024 to €20,000,000,000. The ST Guarantee Maximum Ceiling was finally increased to €25,000,000,000 by a decision of the ST Board of Directors dated 10 June 2026.

An overview of the contractual framework of the guarantees is presented below:



An overview of how the guarantees operate is set forth below.



1.1 Member Guarantees

The description of the Member Guarantee set out below represents version 2026.01 of the Member Guarantee set out in this Base Prospectus which entered into force on 15 July 2026 (the Date of Entry into Force). It replaces version 2016.01 of the Member Guarantee set out, in particular, in the Base Prospectus dated 25 June 2025 (see paragraph (c) "Changes to the model of Member Guarantee" below for more details) on the Date of Entry into Force. Holders of Notes issued after the Date of Entry into Force will benefit from Member Guarantee 2026.01 or any other subsequent Member Guarantee in accordance with clause 2.3 of Member Guarantee 2026.01.

(a) Principle

Each Medium-Long Term Loan granted by the Issuer to one of its Members is contingent upon a guarantee commitment by such Member for a maximum amount corresponding to such funding.

The entry into a Liquidity Facility does not lead to the granting by the beneficiary Member of a guarantee. Indeed, the Member Guarantee is only intended to guarantee Beneficiaries up to the amount of the Medium-Long Term Loans drawn down by the relevant Member from the Issuer.

From this principle, it therefore ensues that the maximum amount guaranteed per Member pursuant to the Member Guarantees is designed to be equal to the value of the Medium-Long Term Loans granted by the Issuer to such Member.

As at 31 December 2025, the total outstanding amount of Medium-Long Term Loans to Member Local Authorities carried by the Issuer amounted to €9,721 million.

Each form of Member Guarantee must have the prior approval of each Member's deliberative body.

The guarantee commitments deriving from the same form of Member Guarantee are:

- all identical and refer to a form of first demand guarantee defined by ST's Board of Directors upon a proposal from the Issuer's Executive Board with a recommendation from its Supervisory Board, and which Members must comply with;

- undertaken each time a Medium Long Term Loan is granted.

(b) Main provisions

In accordance with the form of guarantee, the Member Guarantees are based on the following principles:

- Each Member Guarantee is an autonomous first demand guarantee;

- Its beneficiaries are the Beneficiaries. Beneficiaries are the holders of any issued instruments or the co-parties to any of the deeds entered into by the Issuer stipulating that such instruments and/or deeds are covered by the Member Guarantees. Hence, all of the holders of the instruments issued under the Programme are covered by the Member Guarantees;

- The activation of the Member Guarantee by a Beneficiary, by the representative of Beneficiaries or by ST is contingent upon complying with the proper form and time period prescribed in such guarantee, failing which it is invalid; and

- A specific early call system for the Member Guarantee which may be activated by ST in order to prevent potential financial difficulties.

The option to call the Member Guarantee is extended to ST in the following cases:

- call of the ST Guarantee; and
- request to this effect from the Issuer.

The guarantee calls made by ST on the Member Guarantees are neither for its benefit nor that of the Issuer: they are made on behalf of the Beneficiaries. In accordance with the provisions of the Member Guarantees, the sums resulting from these calls on the guarantee will be placed in an escrow account opened in the name of the ST in the books of a financial institution independent of the Agence France Locale Group acting as account holder, and, in accordance with the instruction to be given by the ST to the holder of this escrow account (Article 9.4.3 of the Member Guarantee template), the sums placed in this account will be paid to the Beneficiaries on the due date of their claim. The main terms and conditions of the escrow agreement are available on the Issuer's Website.

In cases where the Issuer makes a claim on the ST Guarantee, activating the Member Guarantee, the Shareholders' Agreement provides a system to distribute the claim evenly among the Members.

In the case where a Beneficiary of the Member Guarantees directly makes the guarantee claim, the Beneficiary has the option of either claiming against a single Member for the full amount of its request[16] (subject to such Member's applicable guarantee ceiling) or to distribute the amount of the request among several Members. The total of the amounts activated by a Beneficiary under the Member Guarantees may not exceed the total amount due to such Beneficiary.

In the interest of full disclosure to the Beneficiaries, each Member's outstanding Medium-Long Term Loans vis-à-vis the Issuer and therefore the maximum amount of their guarantee is published each Business Day (as defined in the model Member Guarantee set out below) on the Issuer's Website [17] (https://www.agence-france-locale.fr/page-investisseurs_fr/notation/).

As at 30 June 2026, the total amount of outstanding amounts guaranteed by each Member was €9,877 million.

(c) Changes to the model of Member Guarantee

Principles

According to the Shareholders' Agreement, any change to the model of Member Guarantee must be approved by ST's Board of Directors, upon a proposal by the Issuer's Executive Board following a recommendation of its Supervisory Board.

Where the model of Member Guarantee is amended, Local Authorities that were already Members at the date of entry into force of the new model will be bound by the new

[16] Such request to correspond to the Beneficiaries' debt to the Issuer.

[17] Where there are several versions of a Member Guarantee in existence for the same Member, such Member's outstanding Medium-Long Term Loans published on the Issuer's Website will show, for each version of the Member Guarantee, the relevant amount of outstanding Medium-Long Term Loan guarantee under that version.

model of Member Guarantee (the **New Model of Member Guarantee**) with regard to any guarantee signed after the date of entry into force of the New Model of Member Guarantee (the **Date of Entry into Force of a New Model**).

- **Consequences of the introductions of a New Model of Member Guarantee on the Member Guarantee attached to Notes issued before the Date of Entry into Force of a New Model**

  Noteholders of a Tranche issued before the Date of Entry into Force of a New Model will benefit until the signing of any new Member guarantee commitment signed under the New Model of Member Guarantee, of Member guarantee commitments governed by the previous Model of Member Guarantee (the **Previous Model of Member Guarantee**).

  Beginning on the signing date for any Member guarantee commitment signed under the New Model of Member Guarantee and until the signing date of any Member guarantee commitment signed under any model of Member Guarantee replacing the New Model of Member Guarantee, the abovementioned Noteholders will benefit from guarantee commitments governed by the New Model of Member Guarantee.

  However, in accordance with clause 2.3 of the 2026.01 Model Member Guarantee, where a call is made with regard to a Member guarantor having entered into Member Guarantees governed by several models of Member Guarantee, the Noteholders benefitting from guarantee commitments governed by the Previous Model of Member Guarantee, may for each Member, up to the total outstanding Medium-Long Term Loans of such Member, choose between the Previous Model of Member Guarantee or any subsequent Model of Member Guarantee accepted by such Member guarantor in a subsequent guarantee commitment; it being noted that any guarantee call may only refer to one model of Member Guarantee.

- **Consequences of the introduction of a New Model of Member Guarantee on Notes issued after the Date of Entry into Force of a New Model**

  Holders of Notes issued after the Date of Entry into Force of a New Model of Member Guarantee will benefit, for each Member, up to the total amount of the outstanding Medium-Long Term Loans of such Member, from the guarantee commitments governed by the New Model of Member Guarantee until the signing date of any Member guarantee commitment signed under the any model of Member Guarantee replacing the New Model of Member Guarantee.

Entry into force of Member Guarantee model 2026.01, which supersedes Member Guarantee model 2016.01

Holders of Securities issued after the Effective Date benefit from the Member Guarantee 2026.01 or any other Member Guarantee that replaces it in accordance with clause 2.3 of the Member Guarantee 2026.01 template, it being specified that holders of Securities benefit from the most recent version of the Member Guarantee only with respect to Members who have ratified it.

(d) Available remedies among the Members called under the guarantees

In accordance with Clause 17.5.1.1 of the Shareholders' Agreement, in the event that the Member Guarantee is activated, the Members that were called shall have subrogation rights (recours subrogatoire) against the Issuer. However, in the interest of safeguarding the Issuer and ensuring its sustainability, each Member waives in advance:

- in accordance with clause 17.5.1.1 (a), any recourse against the Issuer for as long as the Issuer is in a financial position that prevents it from honouring its repayment obligation without undermining its ability to continue operating; and

- in accordance with clause 15.5.1.1 (b), any right to offset the receivable they hold pursuant to their right of subrogation vis-à-vis the Issuer with the debt repayment on their outstanding Medium-Long Term Loans taken out with the Issuer.

The Members that were liable, on the other hand, have a right to effective remedy against the other Members as a way to allow the guarantee mechanism to operate as a whole and guarantee claims to be evenly distributed. Each Member is ultimately expected to pay for the claims made in proportion to its outstanding Medium-Long Term Loans from the Issuer as of the date of such claims.

ST handles and centralises the recovery of any payable sums between the Members in the interest of organise any claims among Members. Under the Shareholders' Agreement, each Member has entrusted ST with a mandate to recover any amounts that it may be due with respect of the collection of payments among Members. Under the Shareholders' Agreement, each Member has undertaken to sign any appropriate document or deed to initiate the collection procedures.

1.2 ST Guarantee

The provisions of the ST Guarantee were defined and authorised by ST's Board of Directors upon a proposal from the Issuer's Executive Board with a recommendation from its Supervisory Board.

Each issue of Notes (including the Notes issued under the Programme and notes issued under the Issuer's euro commercial paper programme) by the Issuer and/or other financial commitments (such as banking facilities and hedging operations) of the Issuer, benefitting from the ST Guarantee, gives rise to the grant of a guarantee, known as a statement of guarantee (the **Statement of Guarantee**) which is based on the terms of the ST Guarantee decided by ST's Board of Directors.

Each Statement of Guarantee specifies the maximum amount guarantee under such issue or financial commitment (the **Individual Ceiling**). The Individual Ceiling is calculated at the Issuer's discretion (and notified to ST) on the basis of the form and terms of the notes and/or financial commitments guarantees and the amounts due in principal, interest and other amounts. For each Tranche of Notes issued under the Programme, the Individual Ceiling of the ST Guarantee defined in the corresponding Statement of Guarantee is specified in the Final Terms for the relevant issue and is equal at least to the total amount of the issue.

The sum of the Individual Ceilings represents an amount which is at least equal to the total of the funds raised by the Issuer on the capital markets through any means (Notes issued under the Programme and notes issued under the Issuer's euro commercial paper programme) and other financial commitments (such as banking facilities and hedging transactions), that the Issuer has entered into and both of which benefit from the ST Guarantee.

The total cap guaranteed under the ST Guarantee, is always equal to the sum of the Individual Ceilings. The total amount guarantee under the ST Guarantee may not in any event be greater than the Maximum Ceiling of the ST Guarantee, which is equal, at the date of this Base Prospectus to €25,000,000,000.

While not enforceable against third parties, in particular against the Noteholders, the Issuer has agreed, in a Memorandum of Understanding with ST in relation to the ST Guarantee, published on the Issuer's Website, to ensure that the total amount guaranteed under the ST Guarantee is set at an amount at least equal to the total amount of funds raised by the Issuer on the capital markets through any means (Notes issued under the Programme and notes issued under the Issuer's euro commercial paper programme) and other financial commitments (such as banking facilities and hedging operations) that the Issuer has entered into and that both benefit from the ST Guarantee.

Except as set out above, the ST Guarantee is founded on principles that are very similar to the terms and conditions of the Member Guarantees.

- The ST Guarantee is an autonomous first demand guarantee;
- Its beneficiaries are the holders of any issued instruments or co-parties to any of the contracts entered into by the Issuer stipulating that such instruments and/or contracts are covered by the ST Guarantee; these beneficiaries are the same entities which are also Beneficiaries of the Member Guarantees; and
- The activation of the ST Guarantee by a Beneficiary, the representative of Beneficiaries or by the Issuer is exclusively contingent upon complying with the proper form and time period prescribed in such guarantee, failing which it is void.

The Issuer also has the option of calling the ST Guarantee in the name of and on behalf of the Members. In accordance with the provisions of the ST Guarantee, the sums resulting from these calls on the guarantee will be placed in an escrow account opened in the name of ST in the books of a financial institution independent of the Agence France Locale Group acting as account holder. In accordance with instructions that the Issuer shall give to this escrow account holder (article 9.4.3 of the model ST Guarantee), the amounts deposited in that account will be paid directly to the Beneficiaries on the due date of their receivable.

1.3 Investor information related to the actual guarantees and the Members' financial position

The Issuer's Website (https://www.agence-France-locale.fr/) provides the Beneficiaries with information on the guarantee systems and the guarantors, as well as up-to-date information on the maximum amounts guarantees under the Member Guarantees and the ST Guarantee.

In accordance with the provisions of the Member Guarantees and the ST Guarantee, the Issuer is required to publish and update the information so that that on a daily basis the Beneficiaries may access (i) the list of Members guaranteeing the Instruments and which may therefore be called upon and (ii) specific disclosure on the guarantee, particularly the amount, that each one of them as well as ST have granted.

The Issuer makes the following information accessible to the Beneficiaries:

(a) Beneficiary information on the ST Guarantee and the Member Guarantees

(i) ST Guarantee

- the total amount guaranteed under the ST Guarantee, the Issuer undertaking to update and publish such information on its website within two (2) Business Days following the date of issue of any new Statement of Guarantee or the date of expiry of any Statement of Guarantee;
- the allocation of ST's commitments according to the version of ST Guarantee;
- the name and address of the individual to whom a guarantee claim must be sent for the ST Guarantee;
- the amount of the guarantee claims under the ST Guarantee of which ST is aware.

The Issuer also undertakes that the Website shall be available on each Business Day so that the Beneficiaries have access to the most recent information as possible.

(ii) Member Guarantees

- the actual outstanding Medium-Long Term Loans of each Member on the first Business Day preceding the day on which the Website is updated or on any later date;
- the estimated outstanding Medium-Long Term Loans of each Member, if there is no early repayment of all or part of the loan, on the tenth Business Day following the day on which the Website is updated;
- the breakdown of the Members' outstanding Medium-Long Term Loans according to the version of the Member Guarantee[18];
- the name and address of the individual to whom a guarantee claim must be sent for each Member;
- the amount of the guarantee claims under the Member Guarantees of which the Issuer is aware.

The above information is updated each Business Day so that the Beneficiaries have access to the most recent information as possible.

(b) Member's financial position

- the Member's legal population as of 1 January of the relevant financial year;
- a summary of the Member's operating revenues and expenses and investment revenues and expenditures of the relevant financial year;
- financial data to assess the Member's cash flow;
- data on the Member's debt as well as the related annual debt payments.

[18] Where there are several models of Member Guarantee in existence at the same time for the same Member, the outstanding Medium-Long Term Loans of the such Member published on the Issuer's Website will show, for each model Member Guarantee in force, the amount of outstanding Medium-Long Term Loans guaranteed under such model Member Guarantee.

Given the significant and ever structurally changing number of Members, the inclusion in this Base Prospectus of financial information on the Members would be incompatible with the aim of clarity and legibility of the financial information required to be made available to Noteholders under the Prospectus Regulation.

Accordingly, the information required under heading 3 of Schedule 21 to Delegated Regulation (EU) 2019/980 (as amended), has been omitted from the information to be included in this Base Prospectus within the meaning of article 18 of the Prospectus Regulation.

1.4 Guarantee Call

When the guarantee call is not decided upon by the Issuer and/or ST, the Beneficiaries or their representatives may make the guarantee calls under the Member Guarantee and the ST Guarantee pursuant to the terms such guarantee, by using the form guarantee call appended to each of these guarantees.

As noted above, each guarantee call by a Beneficiary, the representative of the Beneficiaries, the ST in the case of the Member Guarantee or the Issuer in the case of the ST Guarantee, must be made in the form and within the time limit set out in such guarantee, failing which it will be invalid.

The person making the guarantee call(s) is required to take the lead on such call(s) on the guarantors which it has selected. It is hereby stipulated that the caller must state that it did not call upon several guarantors to recover an amount greater to the amount due to such caller under his security. The callers may factor into their decision-making process the following facts:

- The ST Guarantee base covers, for each Tranche of Notes issued, the Individual Ceiling specified in the Final Terms;
- The Issuer's Website provides information on each Member's Guarantee base on a permanent basis;
- It may have to, in the event of a call of the Member Guarantee, divide its claims proportionately among several Members with respect to their base Member Guarantees and that each call that a Member receives thereby proportionately reduces its commitment under its Member Guarantee;
- ST (unlike the Local Authorities) is subject to French legislation on collective insolvency procedures and may enter into receivership or compulsory liquidation proceedings if it cannot honour its outstanding commitments with its available assets;
- ST has the option to call on Member Guarantees itself using objective criteria in the event that the ST Guarantee is activated and where it does not think that it alone can honour its own commitments.

2. ST MODEL GUARANTEE

The text of the model guarantee granted by ST to the Beneficiaries is as follows:

AUTONOMOUS FIRST DEMAND GUARANTEE
Agence France Locale – Société Territoriale
2026.1 Version

BETWEEN:

(1) **AGENCE FRANCE LOCALE – SOCIÉTÉ TERRITORIALE**, a limited company with board of directors (*société anonyme à conseil d'administration*) whose registered office is located at 41 Quai d'Orsay, 75007 Paris, registered at the Paris Trade and companies register (*Registre du commerce et des sociétés*) under the number 799 055 629 (the **Guarantor** or ***Société Territoriale***);

AND

(2) **AGENCE FRANCE LOCALE**, a limited company with executive board and supervisory board (*société anonyme à directoire et conseil de surveillance*) whose registered office is located at 112, rue Garibaldi, 69006 Lyon, registered at the Lyon Trade and companies register (*Registre du commerce et des sociétés*) under the number 799 379 649 (*Agence France Locale*);

IN FAVOR OF:

(3) any holder of any Guaranteed Instrument as set out in Article 4.1(a) (the **Beneficiary**) in the form of a third-party beneficiary stipulation, in accordance with the provisions of articles 1205 *et seq.* of the French Civil Code (*Code civil*).

WHEREAS:

(A) Société Territoriale and Agence France Locale contribute to the financing of Local Authorities in accordance with the provisions of Article L. 1611-3-2 of the French General Local Authorities Code (*Code général des collectivités territoriales*).

(B) Société Territoriale holds the near totality of the share capital and voting rights in Agence France Locale and has decided to provide this guarantee in order to support the development of Agence France Locale.

(C) Société Territoriale and Agence France Locale have furthermore entered into a memorandum of understanding relating to certain terms of application of this guarantee (the **Memorandum of Understanding**) which does not constitute an enforceable document against the Beneficiary.

IT HAS THEREFORE BEEN AGREED AS FOLLOWS:

SECTION I

DEFINITIONS AND INTERPRETATION

1 DEFINITIONS

Terms with a capital letter used in this Guarantee shall have the meaning as assigned to them below:

Actual Guarantee Ceiling shall have the meaning assigned to it in Article 5;

Agence France Locale shall have the meaning assigned to it as set out in this Guarantee;

Agence France Locale Group shall collectively mean Société Territoriale and Agence France Locale;

Appendix shall mean an appendix to this Guarantee;

Article shall mean an article of this Guarantee;

Beneficiary shall have the meaning assigned to it as set out in this Guarantee;

Business Day shall mean any day other than Saturdays, Sundays, public holidays or days on which banks are either required or authorised to close in France;

Escrow Account shall have the meaning assigned to it in Article 9.4.2(e);

Expiry Date shall have the meaning assigned to it in Article 5.3;

Guarantee shall mean the autonomous first demand guarantee provided by the Guarantor pursuant to the provisions of this Guarantee;

Guarantee Call shall mean any call under this Guarantee made in accordance with the provisions of the Guarantee;

Guaranteed Instruments shall have the meaning assigned to it in Article 4.1;

Guarantor shall have the meaning assigned to it as set out in this Guarantee;

Individual Ceiling shall have the meaning assigned to it in Article 5;

Local Authority shall mean local authorities (collectivités locales) as well as any entity legally authorised to participate in the mechanism implemented by the Agence France Locale Group;

Maximum Guarantee Ceiling shall have the meaning assigned to it in Article 5;

Member shall mean any Local Authority belonging to the Agence France Locale Group in accordance with the articles of association and the Shareholders' Agreement;

Member Guarantee shall mean any guarantee provided by a Member in relation to the financial obligations of Agence France Locale;

Memorandum of Understanding shall have the meaning assigned to it in the preamble to this Guarantee;

Party shall mean the Guarantor, Agence France Locale and any Beneficiary which has agreed to become a party to this Guarantee;

Representative shall have the meaning assigned to it in Article 7;

Shareholders' Agreement shall mean the shareholders' agreement entered into by Members of the Agence France Locale Group, Société Territoriale and Agence France Locale;

Société Territoriale shall have the meaning assigned to it as set out in this Guarantee; Statement of Guarantee shall have the meaning assigned to it in Article 5.3;

Website shall have the meaning assigned to it in Article 5.5.

2 RULES OF INTERPRETATION

2.1 General Principles

2.1.1 The meaning of the defined terms applies to both the singular and plural of the said terms and, where applicable, to any masculine and feminine forms.

2.1.2 The headings used in this Guarantee have been included for readability purposes only and shall not affect either the meaning or interpretation of this Guarantee.

2.1.3 Unless otherwise required by the particular context, all references to legal provisions equally apply to any amendment, substitution or codification, provided that any such amendment, substitution or codification is applicable or may become applicable to the transactions covered by this Guarantee.

2.1.4 All references to another document shall equally apply to any amendments or substitutions of the said document.

2.1.5 Examples following the terms "include", "including", "notably", "in particular" and other similar terms shall not be exhaustive.

2.2 Authorisation

On 10 June 2026, in accordance with the provisions of Article L. 225-35 of the French Commercial Code (Code de commerce), the Board of Directors of Société Territoriale authorised the grant to Agence France Locale of a guarantee, the maximum amount of which is equal to the amount of the Maximum Guarantee Ceiling.

2.3 Amendments to the terms of the Guarantee

2.3.1 Each Statement of Guarantee is issued under the Guarantee, as in effect on the date it is being issued. Such Statement of Guarantee and the Guarantee constitute together an indivisible whole.

2.3.2 In the event of the issuance of a new Guarantee or of an increase in the Maximum Guarantee Ceiling, each holder of a Guaranteed Instrument may avail itself of the provisions of the Guarantee in force at the time such Guaranteed Instrument was issued and of those of any subsequent Guarantee, it being specified however that the Maximum Guarantee Ceiling of each Guarantee shall not be cumulative and that the holder of the Guaranteed Instrument may avail itself only of the higher Maximum Guarantee Ceiling between the one in force on the date of issuance of the Guaranteed Instrument and the one in force on the date of the Guarantee Call, in any event within the limit of the Actual Guarantee Ceiling.

SECTION II

TERMS AND CONDITIONS OF THE GUARANTEE

3. PURPOSE OF THE GUARANTEE

The Guarantor unconditionally and irrevocably undertakes to pay any Beneficiary, on first demand, any amount specified in the Guarantee Call up to a maximum of the Actual Guarantee Ceiling as set out in Article 5. The Guarantee Call must strictly comply with the requirements set out in Section III of this Guarantee.

4. BENEFICIARIES OF THE GUARANTEE

4.1 The Guarantee is provided for the benefit of any person or entity holding an eligible instrument, where the holding of such an eligible instrument is the result of:

(a) the account registration in the register held by Agence France Locale or by a financial intermediary as a holder of a financial security, the terms of which specify that the said person or entity is eligible to benefit under the Guarantee; or

(b) holding of a document signed by Agence France Locale specifying that the said document confers eligibility to benefit under the Guarantee;

(hereafter a **Guaranteed Instrument**).

4.2 The Guarantee relates to existing Guaranteed Instruments and to any future Guaranteed Instruments or those to be issued.

5. GUARANTEE CEILING

5.1 The guarantee ceiling (the **Actual Guarantee Ceiling**) provided by the Guarantor shall at any time be equal to the sum of Individual Ceilings (as defined below) notified by Agence France Locale to the Guarantor, of which the Expiry Date (as defined below) is yet to occur, less any Guarantee Call excluding the Guarantee Call for the purposes of which the Actual Guarantee Ceiling is to be calculated.

5.2 Under no circumstances may the Actual Guarantee Ceiling exceed the maximum amount of twenty-five billion (€25,000,000,000) euros (the **Maximum Guarantee Ceiling**). Should the sum of Individual Ceilings (as defined below) exceed the Maximum Guarantee Ceiling, the Actual Guarantee Ceiling shall be equal to the Maximum Guarantee Ceiling.

5.3 Whenever a Guaranteed Instrument is issued or created, Agence France Locale will forward to Société Territoriale a declaration (the **Statement of Guarantee**) which shall contain:

(a) the maximum amount guaranteed by Société Territoriale as a result of the issue or creation of the said Guaranteed Instrument (the **Individual Ceiling**);

(b) the date upon which the commitment relating to the Individual Ceiling expires (the **Expiry Date**).

5.4 The Individual Ceiling is established on a discretionary basis by Agence France Locale according to the nature and terms of the Guaranteed Instrument and to the sums that may become due in principal, interest and accessories under the Guaranteed Instrument. Except in the case of manifest abuse, the setting of an Individual Ceiling shall automatically increase the Actual Guarantee Ceiling.

5.5 It is furthermore specified that any Beneficiary may at any time within the context of a Guarantee Call claim the sum of the Guarantee Ceiling as published by Agence France Locale on its website (the **Website**) in accordance with Article 16.1, where such a figure shall be deemed to be authentic unless any Party is able to prove otherwise.

6. LEGAL NATURE OF THE GUARANTOR'S OBLIGATION

6.1 This Guarantee constitutes an autonomous guarantee within the meaning of Article 2321 of the French Civil Code (*Code civil*).

6.2 Consequently, the Guarantor may not oppose or claim any exception or objection of any nature whatsoever (excluding those set out in Article 2321 of the French Civil Code (*Code civil*)), and notably any exception or objection that Agence France Locale may hold against the Beneficiary, subject, however, to compliance with the provisions of this Guarantee.

6.3 Subject to the provisions of Article 14, all the provisions of this Guarantee shall remain fully effective irrespective of any changes to the financial, legal or any other position of Agence France Locale or of the Guarantor. The Guarantee shall in particular retain its full effect *vis-à-vis* the Beneficiaries should Agence France Locale request the appointment of an ad hoc administrator (*mandataire ad hoc*) or conciliator (*conciliateur*) (or should it be the subject of any such request), or enter into an agreement with its creditors, or be the subject of any of the proceedings set out in Book VI (*Livre VI*) of the French Commercial Code (*Code de commerce*).

SECTION III

CALL OF THE GUARANTEE

7. PERSONS AUTHORISED TO CALL THE GUARANTEE

This Guarantee may be called by the following persons or entities:

(a) any Beneficiary, in their own interests;

(b) the representative of the noteholders or any person or entity authorised to exercise warranties or guarantees on behalf of the Beneficiaries, in accordance with applicable law or with the provisions of the Guaranteed Instruments (the **Representative**) and on behalf of the persons or entities they are authorised to represent; or

(c) Agence France Locale, on behalf of any Beneficiary.

8. CONDITIONS OF THE GUARANTEE CALL

The Guarantee Call is not subject to any conditions.

9. TERMS AND CONDITIONS OF CALLS

9.1 Principle

9.1.1 A payment demand that both in substance and form meets the conditions set out in this document (including the Guarantee Call standard forms in Appendix) shall constitute a Guarantee Call for the purposes of this Guarantee (a **Guarantee Call**). The Guarantee may be called on one or more occasions.

9.1.2 All Guarantee Calls must be denominated in euros (**EUR**) or in any other currency which is legal tender in France.

9.1.3 All Guarantee Calls must be written in French.

9.1.4 Any payment request that fails to comply with these requirements will not be accepted as valid and will be deemed not to have been issued.

9.2 Call by the Beneficiaries

9.2.1 Any Guarantee Call by a Beneficiary must be issued in writing and strictly comply with the standard form in Appendix B, which must be signed by a person duly authorised by the Beneficiary concerned.

9.2.2 Any Guarantee Call by a Beneficiary will be deemed to be invalid unless accompanied by the following documents:

(a) a copy of the legal documents relating to the Guaranteed Instruments with an indication of the clause stipulating that the said instruments benefit from the Guarantee;

(b) for Guaranteed Instruments issued in the form of financial securities, the account registration certificate;

(c) a sworn statement by the originating party claiming the occurrence of a payment default, where any such declaration shall not undermine the autonomous nature of the Guarantee;

(d) a sworn statement by the originating party that no Guarantee Call has taken place under one or more Member Guarantees with a view to recovering the same sums (or that any such calls have not been honoured in accordance with the terms of the said guarantees); under no circumstances may any such declaration prejudice the right of the Beneficiary to divide its call;

(e) the details of the accounts to which the amounts called are to be transferred, subject to the terms of the Guaranteed Instruments concerned not requiring payment via a securities clearing or settlement system.

9.3 Call by a Representative

9.3.1 Any Guarantee Call by a Representative must be issued in writing and strictly comply with the standard form in Appendix C, which must be signed by the Representative or by a person duly authorised by the Representative in accordance with applicable statutory provisions.

9.3.2 Any Guarantee Call by a Representative will be deemed to be invalid unless accompanied by the following documents:

(a) a copy of the legal documents relating to the Guaranteed Instruments with an indication of the clause stipulating that the said instruments benefit from the Guarantee;

(b) a list of the holders of the Guaranteed Instruments affected by the call and the allocation of the amount called among the said holders or, where applicable, details of allocation and payment if the Guaranteed Instruments are admitted to a clearing or settlement system;

(c) a sworn statement by the Representative claiming the occurrence of a payment default, where any such declaration shall not undermine the autonomous nature of the Guarantee;

(d) a sworn statement by the Representative that no Guarantee Call has taken place under one or more Member Guarantees with a view to recovering the same sums (or that any such calls have not been honoured in accordance with the terms of the said guarantees); under no circumstances may any such declaration prejudice the right of the originating party to divide its call;

(e) the details of the accounts to which the amounts called are to be transferred, subject to the terms of the Guaranteed Instruments concerned not requiring payment via a securities clearing or settlement system;

(f) a copy of the document by which the Representative was appointed or is entitled to act on behalf of the Beneficiaries.

9.4 Call by Agence France Locale

9.4.1 Any Guarantee Call by Agence France Locale must be made in writing and strictly comply with the standard form in Appendix D, which must be signed by the chairman of the Board of Agence France Locale or by any other person duly authorised to this effect in accordance with the applicable statutory provisions.

9.4.2 Any Guarantee Call by Agence France Locale will be deemed to be invalid unless accompanied by the following documents:

(a) a cash flow forecast for the coming twelve (12) months;

(b) an income statement forecast for the coming twelve (12) months;

(c) a copy of the legal documents relating to the Guaranteed Instruments, with an indication of the clause stipulating that the said instruments benefit from the Guarantee;

(d) a list of the holders of the Guaranteed Instruments affected by the call and the allocation of the amount called among the said holders or, where applicable, details of allocation and payment if the Guaranteed Instruments are admitted to a clearing or settlement system;

(e) the bank account details of the account to which the amounts called are to be transferred (the **Escrow Account**), together with a copy of the payment instruction referred to in Article 9.4.3.

9.4.3 In the event of a Guarantee Call, at the same time as the Guarantee Call, Agence France Locale shall instruct the custodian or agent of the Escrow Account to pay the holders of Guaranteed Instruments as set out in Article 9.4.2(d) on the date on which the amounts called are due for payment by Agence France Locale.

9.4.4 Any Guarantee Call by Agence France Locale shall also specify the date by which payment of the amounts called must have been made.

SECTION IV

PAYMENT UNDER THE GUARANTEE

10. Payment date

10.1 Payment in the event of a call by the Beneficiaries or their Representatives

10.1.1 In the event of a Guarantee Call by the Beneficiaries or their Representatives, the Guarantor must pay the amount called within five (5) Business Days of the date of receipt of the Guarantee Call.

10.1.2 In accordance with the provisions of the Member Guarantees, Société Territoriale may call on the Members with a view to obtaining payment of the amounts covered by this Article 10.1. Amounts actually paid by the Members within this context shall be deemed to have been paid by Agence France Locale under this Guarantee and shall consequently release Société Territoriale from its obligations under the relevant Guarantee Call.

10.2 Payment in the event of a call by Agence France Locale

10.2.1 In the event of a Guarantee Call by Agence France Locale, the Guarantor must pay the called amount within five (5) Business Days of the date of receipt of the Guarantee Call or by any later date stipulated in the Guarantee Call.

10.2.2 In accordance with the provisions of the Member Guarantees, Société Territoriale may call on the Members with a view to obtaining payment of the amounts covered by this Article 10.2. Amounts actually paid by the Members within this context shall be deemed to have been paid by Agence France Locale under this Guarantee and shall consequently release Société Territoriale from its obligations under the relevant Guarantee Call.

11. Payment Terms

11.1 Account and payment method

The funds must be paid by bank transfer to the account specified in the Guarantee Call.

11.2 Currency of payment

The funds must be paid in euros (**EUR**) or in any other currency which is legal tender in France.

SECTION V

DURATION OF THE GUARANTEE

12. Effective Date

This Guarantee shall become effective on 15 July 2026.

13. Indefinite Duration

The Guarantee is provided for an indefinite duration.

14. Termination

14.1 The Guarantee may be terminated at any time by Société Territoriale or Agence France Locale with a notice period of forty-five (45) Business Days, unless agreed otherwise by Société Territoriale and Agence France Locale.

14.2 Termination of the Guarantee does not restrict the ability of the holders of Guaranteed Instruments to make calls in respect of any Guaranteed Instrument which pre-dates the termination date.

14.3 Conversely, no person or entity may invoke the Guarantee in respect of any financial security or document which post-dates the termination date.

14.4 The Guarantee may not be the subject of any Guarantee Call after the Expiry Date as stated in the last Statement of Guarantee issued prior to the termination of the Guarantee.

SECTION VI

RECOURSE

15. Subrogation

In the event of any amount being paid under a Guarantee Call, the Guarantor is subrogated to the rights of the Beneficiary up to the amount paid and based on the Guaranteed Instrument on which the Guarantee Call is founded.

SECTION VII

COMMUNICATIONS

16. Information for Beneficiaries

16.1 Agence France Locale undertakes to ensure that the following information is publicly accessible on its Website at all times:

(a) the Actual Guarantee Ceiling within two (2) Business Days following the issue of any new Statement of Guarantee;

(b) the Actual Guarantee Ceiling within two (2) Business Days following the Expiry Date of any new Statement of Guarantee;

(c) in the event of an amendment to this Guarantee or of it being replaced by a new guarantee, the allocation of the commitments of Société Territoriale by guarantee;

(d) the address and person to whom a Guarantee Call must be sent; and

(e) the total amount of Guarantee Calls of which it is aware.

16.2 Agence France Locale undertakes to update the Website every Business Day.

17. Publication

Agence France Locale is authorised to bring to the attention of any Beneficiary, by any appropriate means of its own choice, the existence and the terms of this Guarantee.

18. Notification

18.1 Any notification or communication under this Guarantee, including any Guarantee Call, must be made in writing and sent as the issuer of the notification may choose:

(a) by registered letter with request for acknowledgement of receipt;

(b) hand-delivered against a receipt, whether by the issuer itself, its agent or courier service; or

(c) by a court official.

18.2 Any communication made or document sent by one party to another under or in relation to the Guarantee shall become effective from:

(a) its receipt as evidenced by the acknowledgement of receipt, by any other form of receipt or by the court official;

(b) the Business Day following notification as certified by confirmation of submission, a third party or a court official.

18.3 Any notification or communication to the Guarantor, Agence France Locale or Société Territoriale must be sent to the address specified on the Website.

18.4 By way of exception to the aforementioned provisions, the notification of any new Statement of Guarantee by Agence France Locale to Société Territoriale pursuant to Article 5 shall be deemed to have been validly made by delivery in hand or by being made available online on the Website pursuant to a declaration complying with the standard form in Appendix A.

SECTION VIII

FINAL PROVISIONS

19. ACCEPTANCE OF THE THIRD-PARTY BENEFICIARY STIPULATION

Any Beneficiary accepting the benefit of the Guarantee unconditionally accepts all of its terms and acknowledges, in particular:

(a) the options available to Agence France Locale under the Guarantee to call the Guarantee;

(b) the fact that, in the event of a call of the Guarantee by Agence France Locale, Agence France Locale shall be fully responsible for the allocation of the called sums in accordance with the terms hereof and that it shall not, consequently, have any recourse against the custodian or agent of the Escrow Account in respect of such allocation and the performance of the instructions received from Agence France Locale;

(c) that, for the purposes of implementing Guarantee Calls and paying the corresponding sums, it grants a mandate:

(i) to Société Territoriale, acting on its behalf, to open and maintain the Escrow Account intended to receive the sums paid in respect of Guarantee Calls by Agence France Locale;

(ii) to Agence France Locale, acting on its behalf, to (x) allow the receipt of such sums on its behalf into the Escrow Account, and (y) issue any necessary instruction relating to the release, allocation and/or payment of all or part of the said sums in accordance with the terms hereof.

20. TAXES AND DUTIES

20.1 Any payments due by the Guarantor shall be made without any withholding tax or tax or duty of any kind raised, levied or collected by or on behalf of the State or by any of its authorities authorised to levy any such tax or duty, unless such withholding or other tax is provided for by law or any applicable international convention.

20.2 If, pursuant French legislation, the payments owed by the Guarantor under the Guarantee were to be subject to a withholding or other tax or duty of any kind, the Guarantor shall not make any additional payments in respect thereof.

21. APPLICABLE LAW AND COMPETENT COURTS

21.1 This Guarantee shall be governed by French law.

21.2 Any dispute related to this Guarantee shall fall under the jurisdiction of the competent Tribunal Judiciaire.

Executed in Paris
On 26 June 2026
In three (3) original copies

Agence France Locale – Société Territoriale	Agence France Locale

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APPENDIX A – FORM OF STATEMENT OF GUARANTEE

STATEMENT OF GUARANTEE

AGENCE FRANCE LOCALE, a limited company with executive board and supervisory board (*société anonyme à directoire et conseil de surveillance*) whose registered office is located at 112, rue Garibaldi, 69006 Lyon, registered at the Lyon Trade and companies register (*Registre du commerce et des sociétés de Lyon*) under the number 799 379 649 (*Agence France Locale*), pursuant to the autonomous first demand guarantee dated 26 June 2026 provided by Société Territoriale (the **Guarantee**):

– hereby notifies the issue or creation of a new Guaranteed Instrument;

– sets the guarantee commitment resulting from this decision at the amount of _____ (_____) euros[19] (the **Individual Ceiling**);

– decides that the commitment relating to the Individual Ceiling shall expire on _____ (the **Expiry Date**).

This Statement of Guarantee shall be governed and interpreted in accordance with French law. Any dispute regarding notably the validity, interpretation or performance of this Statement of Guarantee shall be brought before the competent court within the jurisdiction of the Court of Appeal of Paris (*Cour d'appel de Paris*).

Executed in **[●]**

On **[●]**

For Agence France Locale

NB: The Individual Ceiling, as specified in this Statement of Guarantee is included in the amount of the Actual Guarantee Ceiling, corresponding to the sum of all of the Individual Ceilings in respect of outstanding guarantee commitments.

[19] The amount must be specified in both numbers and words.

APPENDIX B – FORM OF GUARANTEE CALL

CALL BY A BENEFICIARY

To: Agence France Locale – Société Territoriale
For the attention of the Chief Executive Officer
[Contact details of Société Territoriale as appears on the Website]

CC: Agence France Locale
For the attention of the Chief Executive Officer
[Contact details of AFL as appears on the Website]

Date: [insert date]

Registered letter with request for acknowledgement of receipt or delivered by hand against receipt or service by a bailiff (*exploit d'huissier*)

Payment demand under the Autonomous First Demand Guarantee version 2026.1

Dear Sir/Madam,

1. We refer to the first demand guarantee granted by you on 26 June 2026 (version 2026.1) (the **Guarantee**) in respect of which we declare that we accept the benefits and all the stipulations contained therein.

2. Unless otherwise defined in this Guarantee Call, the capitalised terms and expressions used below shall have the meaning assigned to them in the Guarantee.

3. We ask you to pay in lieu of Agence France Locale the amount of [state the amount] euros (the **Amount Claimed**). Details regarding the Amount Claimed and the Guaranteed Instruments are as follows (in euros):

ISIN *	Common Code*	Date of Guaranteed Instrument	Due date of Guaranteed Instrument	Amount outstanding (principal)	Amount outstanding (interest)	Other outstanding due amounts (late payment interest, charges, etc.)	Total amount outstanding

**where applicable*

4. We certify that, as of the date hereof and without undermining the autonomous nature of the Guarantee,

   (a) the Amount Claimed is due and payable in accordance with Article(s) [*insert article number(s)*] of the terms and conditions of the Guaranteed Instruments [*where the Guaranteed Instruments were issued under various issue programmes, specify these programmes and their terms and conditions*] [and which has not been paid for a period of over [___] Business Days after its due date (after expiry of applicable grace periods and amicable settlement periods as provided for by the terms and conditions of the Guaranteed Instruments)]; and

(b) the Amount Claimed has not been the subject of any payment demand under any Member Guarantee (or such payment demands have not been honoured in accordance with the terms of the said Member Guarantees).

5. In accordance with Article 9.2 of the Guarantee please find enclosed:

(a) a copy of the legal documents relating to the Guaranteed Instruments, with an indication of the clause stipulating that the said instruments benefit from the Guarantee;

(b) for Guaranteed Instruments issued in the form of financial securities, the account registration certificate;

(c) a sworn declaration by the originating party stating the occurrence of a payment default;

(d) details of the bank account to which the called sums are to be transferred[53].

6. In accordance with the terms of Section III of the Guarantee, we ask you in your capacity as Guarantor under the Guarantee to pay us the Amount Claimed.

7. In accordance with the terms of Article 10.1 of the Guarantee, the Amount Claimed must be paid within five (5) Business Days of the date of receipt of this Guarantee Call.

8. [The Amount Claimed must be paid to the bank account identified on the attached bank account details.][20]

Yours faithfully,

_____

For *[Insert name of Beneficiary]*
in the capacity of Beneficiary
By: **[*Insert name of signatory*]**
Job title: **[*Insert job title of signatory*]**

[20] Where the terms and conditions of the Guaranteed Instruments do not require payment via a settlement or clearing system.

APPENDIX C – FORM OF GUARANTEE CALL
CALL BY A REPRESENTATIVE

To: Agence France Locale – Société Territoriale
For the attention of the Chief Executive Officer
[Contact details of Société Territoriale as appears on the Website]
CC: Agence France Locale
For the attention of the Chief Executive Officer
[Contact details of AFL as appears on the Website]

Date: [insert the date]

Registered letter with request for acknowledgement of receipt or delivered by hand against receipt or service by a bailiff (*exploit d'huissier*)
Payment demand under the Autonomous First Demand Guarantee version

2026.1 Dear Sir/Madam,

1. We refer to the first demand guarantee granted by you on 26 June 2026 (version 2026.1) (the **Guarantee**) in respect of which we announce that we accept the benefits and all of its provisions in the name and on behalf of the Guaranteed Instrument holders whom we represent.

2. Unless otherwise defined in this Guarantee Call, the capitalised terms and expressions used below shall have the meaning assigned to them in the Guarantee.

3. We hereby state that, as of the date of this document, Agence France Locale has not paid the sum of [*specify amount*] euros (the **Amount Claimed**) to the Guaranteed Instrument holders whom we represent. Details regarding the Amount Claimed and the Guaranteed Instruments are as follows (in euros):

ISIN *	**Common Code***	**Date of Guaranteed Instrument**	**Due date of Guaranteed Instrument**	**Amount outstanding (principal)**	**Amount outstanding (interest)**	**Other outstanding due amounts (late payment interest, charges, etc.)**	**Total amount outstanding**

** where applicable*

4. We certify that, as of the date hereof and without undermining the autonomous nature of the Guarantee:

   (a) the Amount Claimed is due and payable in accordance with Article(s) [insert article number(s)] of the terms and conditions of the Guaranteed Instruments [where the Guaranteed Instruments were issued under various issue programmes, specify these programmes and their terms and conditions] [and which has not been paid for a period of over [___] Business Days after its due date (after expiry of applicable grace periods and amicable settlement periods as provided for by the terms and conditions of the Guaranteed Instruments)]; and

(b) the Amount Claimed has not been the subject of any payment demand under any Member Guarantee (or such payment demands have not been honoured in accordance with the terms of the said Member Guarantees).

5. In accordance with Article 9.3 of the Guarantee please find enclosed:

(a) a copy of the legal documents relating to the Guaranteed Instruments, with an indication of the clause stipulating that the said instruments benefit from the Guarantee;

(b) a list of the holders of the Guaranteed Instruments affected by the call and the allocation of the amount called among the said holders or, where appropriate, details of allocation and payment if the Guaranteed Instruments are admitted to a clearing or settlement system;

(c) a sworn declaration by the Representative stating the occurrence of a payment default;

(d) details of the bank account to which the called sums are to be transferred[21];

(e) a copy of the document by which the Representative was appointed or is entitled to act on behalf of the Beneficiaries.

6. In accordance with the terms of Section III of the Guarantee, we ask you in your capacity as Guarantor under the Guarantee to pay us the Amount Claimed

7. In accordance with the terms of Article 10.1 of the Guarantee, the Amount Claimed must be paid within five (5) Business Days of the date of receipt of this Guarantee Call.

8. [The Amount Claimed must be paid to the bank account identified on the attached bank account details.][22]

Yours faithfully,

_____

For [*Insert name of Representative*]
in their capacity of [specify the capacity of the Representative providing them with the authority to act]
By: **[*Insert name of signatory*]**
Job title: **[*Insert job title of signatory*]**

[21] Where the terms and conditions of the Guaranteed Instruments do not require payment via a settlement or clearing system.
[22] Where the terms and conditions of the Guaranteed Instruments do not require payment via a settlement or clearing system.

APPENDIX D – FORM OF GUARANTEE CALL
CALL BY AGENCE FRANCE LOCALE

To: Agence France Locale – Société Territoriale
For the attention of the Chief Executive Officer
[Contact details of Société Territoriale as appears on the Website]
CC: Agence France Locale
For the attention of the Chief Executive Officer
[Contact details of AFL as appears on the Website]

Date: [insert date]

Registered letter with request for acknowledgement of receipt or delivered by hand against receipt or service by a bailiff (exploit d'huissier)

Payment demand under the Autonomous First Demand Guarantee version 2026.1

Dear Sir/Madam,

1. We refer to the first demand guarantee granted by you on 26 June 2026 (version 2026.1) (the **Guarantee**).

2. Unless otherwise defined in this guarantee call, the capitalised terms and expressions used below shall have the meaning assigned to them in the guarantee.

3. We ask you to pay the amount of **[*state the amount*]** euros **(*the amount claimed*)** to the holders of guaranteed instruments. Details regarding the amount claimed and the guaranteed instruments are as follows:

ISIN *	Common Code*	Date of Guaranteed Instrument	Due date of Guaranteed Instrument	Amount (principal)	Amount (interest)	Other due amounts (late payment interest, charges, etc.)	Total amount

* *where applicable*

4. In accordance with Article 9.4 of the Guarantee please find enclosed:

   (a) a cash flow forecast for the coming twelve (12) months;

   (b) an income statement forecast for the coming twelve (12) months;

   (c) a list of the holders of the Guaranteed Instruments affected by the call and the allocation of the amount called among the said holders or, where appropriate, details of allocation and payment if the Guaranteed Instruments are admitted to a clearing or settlement

system;

(d) the bank account details of the Escrow Account, to which the amounts called are to be transferred.

5. In accordance with the terms of Section III of the Guarantee, we ask you in your capacity as Guarantor under the Guarantee to pay us the Amount Claimed.

6. In accordance with the terms of Article 10.2 of the Guarantee, the Amount Claimed must be paid [within five (5) Business Days of the date of receipt of this Guarantee Call/on _____].

7. The Amount Claimed must be paid to the Escrow Account, the bank account details of which are attached.

Yours faithfully,

_____

For Agence France Locale
By: **[*Insert name of signatory*]**
Job title: **[*Insert job title of signatory*]**

3. MEMBER MODEL GUARANTEE

The text of the model guarantee (2026.1) granted by the Members to the Beneficiaries is as follows.

FORM OF MEMBER GUARANTEE – 2026.1 VERSION
FIRST DEMAND GUARANTEE

BETWEEN:

(1) The Local Authority having signed a Guarantee Commitment (the **Guarantor**);

AND

(2) **AGENCE FRANCE LOCALE**, a limited company with executive board and supervisory board (*société anonyme à directoire et conseil de surveillance*), whose registered office is located at 112, rue Garibaldi, 69455 Lyon, cedex 06, registered at the Lyon Trade and Companies Register under the number 799 379 649 (**Agence France Locale**);

IN THE PRESENCE OF:

(3) **AGENCE FRANCE LOCALE – SOCIÉTÉ TERRITORIALE**, a limited company with board of directors (*société anonyme à conseil d'administration*) whose registered office is located at 41 Quai d'Orsay, 75007 Paris, registered at the Paris Trade and Companies Register (*Registre du commerce et des sociétés*) under the number 799 055 629 (the **Société Territoriale**);

IN FAVOR OF:

(4) Any Holder of any Guaranteed Instrument as set out in Article 4.1(a) (the **Beneficiary**) in the form of a third-party beneficiary stipulation, in accordance with the provisions of Articles 1205 *et seq.* of the French Civil Code (*Code civil*).

WHEREAS:

(A) Société Territoriale and Agence France Locale contribute to the financing of Local Authorities in accordance with the provisions of Article L. 1611-3-2 of the French General Local Authorities Code (*Code général des collectivités territoriales*).

(B) The Guarantor is a Member of the Agence France Locale Group and intends to benefit from financing granted by Agence France Locale.

(C) In accordance with statutory provisions, the articles of association of Société Territoriale and the shareholders' agreement entered into by the Members of the Agence France Locale Group, Société Territoriale and Agence France Locale (the **Shareholders' Agreement**), the status as a full Member of the Agence France Locale Group and the benefit of financing granted by Agence France Locale are subject to each Member providing a guarantee in accordance with the model established by the Board of Directors of Société Territoriale.

IT HAS THEREFORE BEEN AGREED AS FOLLOWS:

SECTION I

DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

Terms with a capital letter used in this Guarantee shall have the meaning as assigned to them below:

Actual Reimbursement shall mean any amounts actually paid in connection with this Guarantee to the Guarantor by other Members, Agence France Locale, Société Territoriale or any entity that would have benefited from any undue payment under this Guarantee;

Agence France Locale shall have the meaning assigned to it as set out in this Model Guarantee;

Agence France Locale Group shall collectively mean Société Territoriale and Agence France Locale;

Appendix shall mean an appendix to this Guarantee;

Article shall mean an article in this Model Guarantee;

Beneficiary shall have the meaning assigned to it as set out in this Model Guarantee;

Business Day shall mean any day other than Saturdays, Sundays, public holidays or days on which banks are either required or authorised to close in France;

Call Request shall have the meaning assigned to it in Article 8.3;

Escrow Account shall have the meaning assigned to it in Article 9.4.2(d);

Expiry Date shall have the meaning assigned to it in Article 13.1;

Guarantee shall mean the first demand guarantee granted by the Guarantor pursuant to the terms of its Guarantee Commitment(s) and this Model Guarantee;

Guarantee Call shall mean any call under this Guarantee made in accordance with the provisions of the Guarantee;

Guarantee Ceiling shall have the meaning assigned to it in Article 5;

Guarantee Commitment shall mean the guarantee commitment conforming to the standard form in Appendix A in this Model Guarantee duly signed by the Guarantor;

Guaranteed Instruments shall have the meaning assigned to it in Article 4.1;

Guarantor shall have the meaning assigned to it as set out in this Model Guarantee;

Initial Ceiling shall have the meaning assigned to it in Article 5;

Local Authority shall mean local authorities (*collectivités locales*) as well as any entity legally authorised to participate in the mechanism implemented by the Agence France Locale Group;

Member shall mean the Guarantor as well as any Local Authority adherents to the Agence France Locale Group in accordance with the articles of association of Société Territoriale and the Shareholders' Agreement;

Model Guarantee shall mean this document governing the terms and conditions of the Guarantee provided by the Guarantor under one or more Guarantee Commitments;

Outstanding Indebtedness shall mean the total of any amount due at any time by the Guarantor in principal, interest and incidentals to Agence France Locale, excluding amounts due by the Guarantor, in principal interest and incidentals to Agence France Locale under outstanding indebtedness initially granted for a maximum period of 364 days;

Party shall mean the Guarantor, Agence France Locale and any Beneficiary which has agreed to become a party to this Guarantee;

Reimbursement Request shall mean the amount of any reimbursement request made to the Guarantor by or in the name of one or more other Members within the framework of the mechanism described in Article 16;

Representative shall have the meaning assigned to it in Article 7;

Shareholders' Agreement shall have the meaning assigned to it in paragraph (C) of the preamble to this Model Guarantee;

Société Territoriale shall have the meaning assigned to it as set out in this Model Guarantee.

Société Territoriale Guarantee shall mean any guarantee granted by Société Territoriale in relation to the financial obligations of Agence France Locale;

Website shall heave the meaning assigned to it in Article 5.2(c);

2. RULES OF INTERPRETATION

2.1. General Principles

2.1.1 The meaning of the defined terms applies to both the singular and plural of the said terms and, where applicable, to any masculine and feminine forms.

2.1.2 The headings used in this Model Guarantee have been included for ease of reading purposes only and shall not affect either the meaning or interpretation of this Model Guarantee.

2.1.3 Unless otherwise required by the particular context, all references to any legal provisions also refer to any amendment, substitution or codification of these provisions, provided that any such amendment, substitution or codification is applicable or may become applicable to the transactions covered by this Model Guarantee.

2.1.4 All references to another document shall also refer to any amendments or substitutions of the said document.

2.1.5 Examples following the terms "include", "including", "notably", "in particular" and other similar terms shall not be exhaustive.

2.2. Model Guarantee and Guarantee Commitments

2.2.1 This Guarantee is based on the Model Guarantee, version 2026.1, as established by the Board of Directors of Société Territoriale on 10 June 2026.

2.2.2 On the conclusion of any contract or agreement increasing the Outstanding Indebtedness of credit granted to a Member, the latter shall be invited to sign a Guarantee Commitment under which it shall undertake to grant a Guarantee pursuant to and in accordance with the provisions of this Model Guarantee, up to a maximum of the sum of Initial Ceilings stipulated in the said Guarantee Commitment and in previous and non- expired Guarantee Commitments.

2.2.3 Although each Guarantee Commitment shall be signed as of the conclusion of a contract or agreement increasing the Guarantor's Outstanding Indebtedness, the commitment of the said Guarantor shall only be determined by the actual Outstanding Indebtedness of credit and not by the validity of the contracts or agreements giving rise to the increase.

2.2.4 Each Guarantee Commitment shall be authorized by the competent body of the Guarantor, where required on a collective basis, so as to ensure the validity of the commitment of the said Guarantor.

2.3. Plurality of Model Guarantees

2.3.1 Each Guarantee Commitment and the Model Guarantee together constitute a whole and no Model Guarantee not expressly accepted by the Guarantor in a Guarantee Commitment may be enforced against it.

2.3.2 Should a Guarantee Commitment be entered into by the Guarantor which refers to a Model Guarantee other than version 2026.1, the Outstanding Indebtedness of the said Guarantor will be dealt with on an individual basis.

2.3.3 Holders of Guaranteed Instruments issued up to the date of signature of the Guarantee Commitment referring to a specific Model Guarantee may, in respect of the total amount of the Outstanding Indebtedness, invoke either the last Model Guarantee accepted by the Guarantor in a Guarantee Commitment at the latest on the issue date for such Guaranteed Instruments, or later Model Guarantees also accepted by the Guarantor in a subsequent Guarantee Commitment, it being specified, however, that all Guarantee Calls must only refer to a single Model Guarantee.

2.3.4 The holders of Guaranteed Instruments issued after the date of signature of the Guarantee Commitment referring to version 2026.1 of the Model Guarantee may only invoke this Model Guarantee or, where applicable, subsequent Model Guarantees accepted by the Guarantor.

SECTION II

TERMS AND CONDITIONS OF THE GUARANTEE

3. PURPOSE OF THE GUARANTEE

3.1. The Guarantor unconditionally and irrevocably undertakes to pay any Beneficiary, on first demand, any amount specified in the Guarantee Call up to a maximum of the Guarantee Ceiling as set out in Article 5. The Guarantee Call must strictly comply with the requirements set out in Section III of this Guarantee.

4. BENEFICIARIES OF THE GUARANTEE

4.1. The Guarantee is granted for the benefit of any person or entity holding an eligible instrument, where the holding of such an eligible instrument is the result of:

(a) the account registration in the register held by Agence France Locale or the account registration with a financial intermediary as a holder of a financial instrument, the terms of which specify that the said financial instrument is eligible to benefit from the Guarantee;

(b) holding of a document signed by Agence France Locale specifying that the said document confers eligibility to benefit from the Guarantee;

(hereafter a **Guaranteed Instrument**).

4.2 The Guarantee relates to existing Guaranteed Instruments and to any future Guaranteed Instruments or those yet to be issued.

5. GUARANTEE CEILING

5.1. The Guarantee ceiling (the Guarantee Ceiling) provided by the Guarantor shall at any time be equal to the total amount of its Outstanding Indebtedness vis-à-vis Agence France Locale:

(a) less any Guarantee Call, excluding the Guarantee Call for the purposes of which the Guarantee Ceiling is to be calculated;

(b) plus any payment received by the Member in question pursuant to any Actual Reimbursement;

(c) less any Reimbursement Request.

5.2. It is furthermore specified that:

(a) elements which lead to a reduction in the Guarantee Ceiling are no longer enforceable against Beneficiaries from the date on which they made the Guarantee Call;

(b) in the event of multiple Guarantee Calls and/or Reimbursement Requests:

(i) in order to calculate the Guarantee Ceiling, demands received on the Business Day preceding the calculation date shall be taken into account;

(ii) demands received after the Business Day preceding the calculation date shall not be taken into account and, where the Guarantee Ceiling is less than the total of the said demands, the Guarantor's payment obligation shall benefit the Beneficiaries in proportion to their individual demands;

(c) any Beneficiary may at any given time in a Guarantee Call claim the estimated Outstanding Indebtedness as of the tenth (10^{th}) Business Day following the date of the Guarantee Call, as published by Agence France Locale on its website (the **Website**) for each Member in accordance with Article 17.1, where such figures shall be deemed to be binding unless any Party is able to prove otherwise.

5.3. For the avoidance of doubt, under no circumstances may the Guarantee Ceiling exceed the sum of each Initial Ceiling as set out in each Guarantee Commitment whose Expiry Date did not occur.

6. LEGAL NATURE OF THE GUARANTOR'S OBLIGATION

6.1. This Guarantee constitutes a first demand guarantee within the meaning of Article 2321 of the French Civil Code (*Code Civil*).

6.2. Consequently, the Guarantor may not oppose or claim any exception or objection of any nature whatsoever (excluding those set out in Article 2321 of the French Civil Code (*Code Civil*)), and notably any exception or objection that Agence France Locale may hold against the Beneficiary, subject, however, to compliance with the provisions of this Guarantee.

6.3. Subject to the provisions of Article 14, all the provisions of this Guarantee shall remain fully effective irrespective of any changes to the financial, legal or any other position of Agence France Locale or of the Guarantor. The Guarantee shall in particular retain its full effect vis-à-vis the Beneficiaries should Agence France Locale request the appointment of an ad hoc administrator (*mandataire ad hoc*) or conciliator (*conciliateur*) (or should it be the subject of any such request), or enter into an agreement with its creditors, or be the subject of any of the proceedings set out in Book VI (*Livre VI*) of the French Commercial Code (*Code de commerce*).

SECTION III

CALL OF THE GUARANTEE

7. PERSONS AUTHORISED TO CALL THE GUARANTEE

This Guarantee may be called by the following persons or entities:

(a) any Beneficiary, in their own interests;

(b) the representative of the *masse* or any person or entity authorised to enforce any security interests or guarantees on behalf of the Beneficiaries, in accordance with applicable law or with the provisions of the Guaranteed Instruments (the **Representative**) and on behalf of the persons or entities the Representative is authorised to represent; or

(c) Société Territoriale, on behalf of any Beneficiary.

8. CONDITIONS OF THE GUARANTEE CALL

8.1. Call by the Beneficiaries

The Guarantee Call by the Beneficiaries is not subject to any conditions.

8.2. Call by Representatives

The Guarantee Call by Representatives is not subject to any conditions.

8.3. Call by Société Territoriale

Société Territoriale may decide to call the Guarantee only in the following circumstances:

(a) in the event of the Société Territoriale Guarantee being called;

(b) in the event of Agence France Locale requesting a Guarantee Call (a **Call Request**).

9. TERMS AND CONDITIONS OF CALLS

9.1. Principle

9.1.1 A payment demand that both in substance and form meets the conditions set out in this agreement (including Guarantee Call standard forms in the Appendix) shall constitute a guarantee call for the purposes of this Guarantee (a **Guarantee Call**). The Guarantee may be called on one or more occasions.

9.1.2 Any Guarantee Call exceeding the Guarantee Ceiling shall be deemed to have been made for an amount equal to the Guarantee Ceiling without undermining its validity.

9.1.3 All Guarantee Calls must be denominated in euros (**EUR**) or in any other currency which is legal tender in France.

9.1.4 All Guarantee Calls must specify the Model Guarantee on which it is based. However, and in accordance with the provisions of Article 2.2, any Guarantee Call may benefit from the total amount of the Guarantee Ceiling, including in circumstances where the Guarantee Ceiling is the result of multiple Guarantee Commitments on the part of the Guarantor.

9.1.5 All Guarantee Calls must be written in French.

9.1.6 Any payment request that fails to comply with these requirements will not be considered as valid and will be deemed not to have been issued.

9.2. Call by the Beneficiaries

9.2.1 Any Guarantee Call by a Beneficiary must be issued in writing and strictly comply with the standard form in Appendix B, which must be signed by a person duly authorised by the relevant Beneficiary and be notified to the Guarantor with a copy to Société Territoriale.

9.2.2 Any Guarantee Call by a Beneficiary will be deemed to be invalid unless accompanied by the following documents:

(a) a copy of the legal documents relating to the Guaranteed Instruments together with the reference to the clause providing that the said instruments benefit from the Guarantee;

(b) for Guaranteed Instruments issued in the form of financial instruments, the book entry certificate;

(c) a sworn statement by the Beneficiary specifying:

(i) the occurrence of a payment default, provided that any such declaration shall not undermine the autonomous nature of the Guarantee;

(ii) that no Guarantee Call has been issued under the Société Territoriale Guarantee with a view to recovering the same amounts (or that any such call has not been honoured in accordance

with the terms of the said Société Territoriale Guarantee); under no circumstances may any such declaration prejudice the right of the Beneficiary to divide its call;

(iii) that no Guarantee Call has been issued under guarantees granted by other Members with a view to recovering the same amounts (or that any such calls have not been honoured in accordance with the terms of the said guarantees); under no circumstances may any such declaration prejudice the right of the Beneficiary to divide its call;

(d) the details of the accounts to which the amounts called are to be transferred, subject to the terms and conditions of the relevant Guaranteed Instruments not requiring payment via a clearing or settlement system.

9.3. Call by a Representative

9.3.1 Any Guarantee Call by a Representative must be issued in writing and strictly comply with the standard form in Appendix C, which must be signed by the Representative or by a person duly authorised by the Representative in accordance with applicable law and be notified to the Guarantor with a copy to Société Territoriale.

9.3.2 Any Guarantee Call by a Representative will be deemed to be invalid unless accompanied by the following documents:

(a) a copy of the legal documents relating to the Guaranteed Instruments together with the reference to the clause providing that the said instruments benefit from the Guarantee;

(b) a list of the holders of the Guaranteed Instruments to which the call relates and the allocation of the amount called among the said holders or, where appropriate, details of allocation and payment if the Guaranteed Instruments are admitted to a clearing or settlement system;

(c) a sworn statement by the Representative specifying:

(i) the occurrence of a payment default, where any such declaration shall not undermine the autonomous nature of the Guarantee;

(ii) that no Guarantee Call has been issued under the Société Territoriale Guarantee with a view to recovering the same amounts (or that any such call has not been honoured in accordance with the terms of the said Société Territoriale Guarantee); under no circumstances may any such declaration prejudice the right of the originating party to divide its call;

(iii) that no Guarantee Call has been issued under guarantees granted by other Members with a view to recovering the same amount (or that any such calls have not been honoured in accordance with the terms and conditions of the said guarantees); under no circumstances may any such declaration prejudice the right of the Beneficiary to divide its call;

(d) the details of the accounts to which the amounts called are to be transferred, subject to the terms and conditions of the relevant Guaranteed Instruments not requiring payment via a clearing or settlement system;

(e) a copy of the document by which the Representative was appointed or is entitled to act on behalf of the Beneficiaries.

9.4. Call by Société Territoriale

9.4.1 Any Guarantee Call by Société Territoriale must be made in writing and strictly comply with the standard form in Appendix D, which must be signed by the Chief Executive Officer (*Directeur Général*) of Société Territoriale or by any other duly authorised person in accordance with the applicable law.

9.4.2 Any Guarantee Call by Société Territoriale shall be invalid unless accompanied by the following documents:

(a) a copy of the call received with respect to the Société Territoriale Guarantee, including its appendices, or a copy of the Call Request issued by Agence France Locale, excluding its appendices;

(b) a sworn statement by the originating party confirming the Société Territoriale Guarantee call or the existence of a Call Request;

(c) a list of the holders of the Guaranteed Instruments to which the call relates and the allocation of the amount called among the said holders or, where appropriate, details of allocation and payment if the Guaranteed Instruments are admitted to a clearing or settlement system;

(d) the bank account details of the account to which the amounts called are to be transferred (the **Escrow Account**), together with a copy of the payment instruction referred to in Article 9.4.3.

9.4.3 In the event of a Guarantee Call, at the same time as the Guarantee Call, Société Territoriale shall instruct the manager or agent of the Escrow Account to pay the holders of Guaranteed Instruments as set out in Article 9.4.2(c) on the date on which the amounts called are due for payment by Agence France Locale.

9.4.4 Any Guarantee Call by Société Territoriale also specify the date by which payment of the amounts called must have been made.

9.4.5 The form and terms of Call Requests shall be established by the Board of Directors and do not constitute a condition of validity of the Guarantee Call made by Société Territoriale.

SECTION IV

PAYMENT UNDER THE GUARANTEE

10. PAYMENT DATE

10.1. Payment in the event of a call by the Beneficiaries or their Representatives

In the event of a Guarantee Call by the Beneficiaries or their Representatives, the Guarantor must pay the amount called within five (5) Business Days of the date of receipt of the Guarantee Call.

10.2. Payment in the event of a call by Société Territoriale

In the event of a Guarantee Call by Société Territoriale, the Guarantor must pay the called amount within five (5) Business Days of the date of receipt of the Guarantee Call or by any later date stipulated in the Guarantee Call.

11. PAYMENT TERMS

11.1. Account and payment method

The funds must be paid by bank transfer to the account specified in the Guarantee Call.

11.2. Currency of payment

The funds must be paid in euros (**EUR**) or in any other currency which is legal tender in France.

SECTION V

DURATION OF THE GUARANTEE

12. EFFECTIVE DATE

This Guarantee shall become effective on the date of signature by the Member of a Guarantee Commitment.

13. DURATION

13.1. Expiry date

The Guarantee shall end on the date provided in the Guarantee Commitment (the **Expiry Date**).

13.2. Effect of duration

The Guarantee may no longer be subject to any Guarantee Call after the Expiry Date.

14. EARLY TERMINATION

14.1. Preconditions for early termination

Notwithstanding the provisions of Article 13, the Guarantee may be terminated early:

(a) at any time with the consent of the Guarantor, Société Territoriale and Agence France Locale; or

(b) in the event of the commencement of proceedings under Book VI of the French Commercial Code (*Code de commerce*) against Agence France Locale at the request of the Guarantor; or

(c) automatically in the event of the Guarantor signing a Guarantee Commitment incorporating a later version of the Model Guarantee.

14.2. Effect of early termination

14.2.1 Termination of the Guarantee does not restrict the ability of the holders of Guaranteed Instruments to make calls in respect of any Guaranteed Instrument issued before the termination date.

14.2.2 Conversely, no person or entity may invoke the Guarantee in respect of any financial security or document issued after the termination date.

SECTION VI

RECOURSE

15. SUBROGATION

In the event of any amount being paid under a Guarantee Call, the Guarantor is subrogated to the rights of the Beneficiary up to the amount paid and based on the Guaranteed Instrument on which the Guarantee Call is founded.

16. RECOURSE AGAINST THE MEMBERS

In the event of any amount being paid under a Guarantee Call, the Guarantor shall benefit from personal recourse against the other Members in accordance with the terms and conditions set out in the Shareholders' Agreement.

SECTION VII

COMMUNICATIONS

17. INFORMATION FOR BENEFICIARIES

17.1. Agence France Locale undertakes to ensure that the following information is publicly available on its Website at all times:

(a) the Outstanding Indebtedness of each Member on the first (1st) Business Day preceding the day on which the Website is updated or on any later date;

(b) the estimated Outstanding Indebtedness of each Member in the absence of any early repayment of all or part of the loans granted on the tenth (10th) Business Day following the date on which the Website is updated;

(c) the allocation according to the versions of the Model Guarantee of the aforementioned Outstanding Indebtedness;

(d) the address and person to whom a Guarantee Call must be sent for each Guarantor;

(e) the total amount of Guarantee Calls of which it is aware.

17.2. Agence France Locale undertakes to update the Website every Business Day.

17.3. Agence France Locale undertakes to enter into a contract with an external IT service provider which will be able and will have to publish the aforementioned information on a backup website should the Website fail. Should Agence France Locale become financially impaired, it shall have the obligation to maintain access to the information for a minimum period of six (6) months from the commencement of any settlement or liquidation proceedings being instigated against it.

18. PUBLICATION

Agence France Locale is authorised to bring to the attention of any Beneficiary, by any appropriate means of its own choice, the existence and the terms and conditions of this Guarantee.

19. NOTIFICATION

19.1. Any notification or communication under this Guarantee, including any Guarantee Call, must be made in writing and sent either:

(a) by registered letter with request for acknowledgement of receipt;

(b) hand-delivered against a receipt, whether by the issuer itself, its agent or courier service; or

(c) by a court official.

19.2. Any communication made or document sent by one party to another under or in relation to the Guarantee shall become effective from:

(a) its receipt as evidenced by the acknowledgement of receipt, by any other form of receipt or by the court official;

(b) the Business Day following notification as certified by confirmation of submission, a third party or a court official.

19.3. Any notification or communication to the Guarantor, Agence France Locale or Société Territoriale must be sent to the address specified on the Website.

SECTION VIII

FINAL PROVISIONS

20. ACCEPTANCE OF THE THIRD-PARTY BENEFICIARY STIPULATION

Any Beneficiary accepting the benefit of the Guarantee unconditionally accepts all of its terms and acknowledges, in particular:

(a) the options available to Société Territoriale under the Guarantee to call the Guarantee;

(b) the fact that, in the event of a call of the Guarantee by Société Territoriale, Société Territoriale shall be fully responsible for the allocation of the called sums in accordance with the terms hereof and that it shall not, consequently, have any recourse against the holder or agent of the Escrow Account in respect of such allocation and the performance of the instructions received from Société Territoriale;

(c) that, for the purposes of implementing Guarantee Calls and paying the corresponding sums, it grants a mandate to Société Territoriale, acting on its behalf, to (i) open and maintain the Escrow Account intended to receive the sums paid in respect of Guarantee Calls by Société

Territoriale, (ii) allow the receipt of such sums on its behalf into the Escrow Account, and (iii) issue any necessary instruction relating to the release, allocation and/or payment of all or part of the said sums in accordance with the terms hereof.

21. TAXES AND DUTIES

21.1. Any payments due by the Guarantor shall be made without any withholding tax or tax or duty of any kind raised, levied or collected by or on behalf of the State or by any of its authorities authorised to levy any such tax or duty, unless such withholding or other tax is provided for by law or any applicable international treaty.

21.2. If, pursuant French law, the payments owed by the Guarantor under the Guarantee were to be subject to a withholding or other tax or duty of any kind, the Guarantor shall not make any additional payments in respect thereof.

22. APPLICABLE LAW AND COMPETENT COURTS

22.1. This Guarantee shall be governed by French law.

22.2. Any claim in connection with this Guarantee shall be brought before the competent *Tribunal Judiciaire*.

ANNEXE A

FORM OF GUARANTEE COMMITMENT

GUARANTEE COMMITMENT

[Name of Guarantor**]**, represented by **[●]** in their capacity as **[●]**

- hereby provides a first demand guarantee whose terms and conditions shall be governed by the Model Guarantee, version 2026.1, a copy of which is appended to this Guarantee Commitment;
- the initial amount guaranteed pursuant to this Guarantee Commitment is _____ (_____) euros[23] (the **Initial Ceiling**);
- This Guarantee Commitment will expire on _____(the **Expiry Date**);
- declares that this Guarantee Commitment has been approved by their deliberative body in accordance with applicable law and regulation and, where applicable, with their constitutive documents;
- declares acceptance of the provisions of the Model Guarantee version 2026.1 without reservation.

This Guarantee Commitment shall be governed and interpreted in accordance with French law.

Any claim in connection with the validity, interpretation or performance of this Guarantee Commitment shall be brought before the competent *Tribunal Judiciaire.*

In **[●]**
On **[●]**

For the Guarantor[24]

For Agence France Locale

In the presence of Société Territoriale[25]

[23] The amount should be specified in both numbers and words.
[24] Signature preceded by the words "Signed and agreed - first demand guarantee for a ceiling amount of [Initial Ceiling, in figures and words] euros".
[25] A general power to countersign Guarantee Commitments may be granted by Société Territoriale to Agence France Locale.

ANNEXE B

FORM OF GUARANTEE CALL
CALL BY BENEFICIARY

To: [Contact details of Guarantor as appears on the Website]

CC: Agence France Locale – Société Territoriale
For the attention of the Chief Executive Officer
[Contact details of Société Territoriale as appears on the Website]

Agence France Locale
For the attention of the President of the Management Board
[Contact details of Agence France Locale as appears on the Website]

Date: [**insert date**]

Registered letter with request for acknowledgement of receipt or delivered by hand against receipt or service by a bailiff (*exploit d'huissier*)

Payment demand under the First Demand Guarantee version 2026.1

Dear Sir/Madam,

1. We refer to the first demand guarantee granted by you in accordance with the Model Guarantee version 2026.1 as established by the Board of Directors of Agence France Locale – Société Territoriale (the **Guarantee**) in respect of which we acknowledge that we accept the benefits and all of its provisions.

2. Unless otherwise defined in this Guarantee Call, the capitalised terms and expressions used below shall have the meaning assigned to them in the Guarantee.

3. We hereby state that, as of the date of this document, Agence France Locale has not paid us the sum of [*specify amount*] euros (the **Amount Claimed**). Details regarding the Amount Claimed and the Guaranteed Instruments are as follows:

ISIN *	**Common Code***	**Date of Guaranteed Instrument**	**Maturity date of Guaranteed Instrument**	**Amount outstanding (principal)**	**Amount outstanding (interest)**	**Other outstanding amounts (late payment interest, charges, etc.)**	**Total of the amounts outstanding**

** where applicable*

4. We hereby certify that, as of the date hereof and without undermining the autonomous nature of the Guarantee:

   (a) the Amount Claimed is due and payable in accordance with Article(s) [insert article number(s)] of the terms and conditions of the Guaranteed Instruments [where the

Guaranteed Instruments were issued under various issue programmes, specify these programmes and their terms and conditions] [and which has not been paid for a period of over [___] Business days after its due date (after expiry of applicable grace periods and settlement periods as provided for by the terms and conditions of the Guaranteed Instruments)]; and

(b) the Amount Claimed has not been the subject of any payment demand under the Société Territoriale Guarantee (or such a payment demand has not been honoured in accordance with the terms of the said Société Territoriale Guarantee);

(c) the Amount Claimed has not been the subject of any payment demand under guarantees granted by other Members (or such payment demands have not been honoured in accordance with the terms of the said guarantees).

5. In accordance with Article 9.2 of the Guarantee please find enclosed:

(a) a copy of the legal documents relating to the Guaranteed Instruments with a reference to the clause providing that the said instruments benefit from the Guarantee;

(b) for Guaranteed Instruments issued in the form of financial securities, the book entry certificate;

(c) a sworn declaration by the Beneficiary stating the occurrence of a payment default;

(d) details of the bank account to which the called sums are to be transferred.

6. In accordance with the terms of Section III of the Guarantee, we ask you in your capacity as Guarantor under the Guarantee to pay us the Amount Claimed.

7. In accordance with the terms of Article 10.1 of the Guarantee, the Amount Claimed must be paid within five (5) Business Days of the date of receipt of this Guarantee Call.

8. [The Amount Claimed must be paid to the bank account identified on the attached bank account details.][26]

Yours faithfully,

_____

For [*Insert name of Beneficiary*]
in the capacity of Beneficiary
By: **[*Insert name of signatory*]**
Job title: **[*Insert job title of signatory*]**

[26] Where the terms and conditions of the Guaranteed Instruments do not require payment via a settlement or clearing system.

ANNEXE C

FORM OF GUARANTEE CALL
CALL BY A REPRESENTATIVE

To: [Contact details of Guarantor as appears on the Website]

CC: Agence France Locale – Société Territoriale
For the attention of the Chief Executive Officer
[Contact details of Société Territoriale as appears on the Website]

Agence France Locale
For the attention of the President of the Management Board
[Contact details of Agence France Locale as appears on the Website]

Date: [insert date]

Registered letter with request for acknowledgement of receipt or delivered by hand against receipt or service by a bailiff (*exploit d'huissier*)

Payment demand under the First Demand Guarantee version 2026.1

Dear Sir/Madam,

1. We refer to the first demand guarantee granted by you in accordance with the Model Guarantee version 2026.1 as established by the Board of Directors of Agence France Locale – Société Territoriale (the **Guarantee**) in respect of which we acknowledge that we accept the benefits and all of its provisions in the name and on behalf of the Guaranteed Instrument holders whom we represent.

2. Unless otherwise defined in this Guarantee Call, the capitalised terms and expressions used below shall have the meaning assigned to them in the Guarantee.

3. We hereby state that, as of the date of this document, Agence France Locale has not paid the sum of [*specify amount*] euros (the **Amount Claimed**) to the Guaranteed Instrument holders whom we represent. Details regarding the Amount Claimed and the Guaranteed Instruments are as follows (in euros):

ISIN *	**Common Code***	**Date of Guaranteed Instrument**	**Maturity date of Guaranteed Instrument**	**Amount outstanding (principal)**	**Amount outstanding (interest)**	**Other outstanding amounts (late payment interest, charges, etc.)**	**Total of the amounts outstanding**

* *where applicable*

4. We hereby certify that, as of the date hereof and without undermining the autonomous nature of the Guarantee:

   (a) The Amount Claimed is due and payable in accordance with Article(s) [*insert article number(s)*] of the terms and conditions of the Guaranteed Instruments [*where the*

Guaranteed Instruments were issued under various issue programmes, specify these programmes and their terms and conditions] [and which has not been paid for a period of over [___] Business Days after its due date (after expiry of applicable grace periods and settlement periods as provided for by the terms and conditions of the Guaranteed Instruments)];

(b) the Amount Claimed has not been the subject of any payment demand under the Société Territoriale Guarantee (or such a payment demand has not been honoured in accordance with the terms of the said Société Territoriale Guarantee); and

(c) the Amount Claimed has not been the subject of any payment demand under guarantees granted by other Members (or such payment demands have not been honoured in accordance with the terms of the said guarantees).

5. In accordance with Article 9.3 of the Guarantee please find enclosed:

(a) a copy of the legal documents relating to the Guaranteed Instruments with a reference to the clause providing that the said instruments benefit from the Guarantee;

(b) a list of the holders of the Guaranteed Instruments to which the call relates and the allocation of the amount called among the said holders or, where appropriate, details of allocation and payment if the Guaranteed Instruments are admitted to a clearing or settlement system;

(c) a sworn declaration by the Representative stating the occurrence of a payment default;

(d) details of the bank account to which the called sums are to be transferred[63];

(e) a copy of the document by which the Representative was appointed or is entitled to act on behalf of the Beneficiaries.

6. In accordance with the terms of Section III of the Guarantee, we ask you in your capacity as Guarantor under the Guarantee to pay us the Amount Claimed.

7. In accordance with the terms of Article 10.1 of the Guarantee, the Amount Claimed must be paid within five (5) Business Days of the date of receipt of this Guarantee Call.

8. [The Amount Claimed must be paid to the bank account identified on the attached bank account details.][27]

Yours faithfully,

_____

For [*Insert name of Representative*]
in their capacity of [specify the capacity of the Representative providing them with the authority to act]
By: **[*Insert name of signatory*]**
Job title: **[*Insert job title of signatory*]**

[27] Where the terms and conditions of the Guaranteed Instruments do not require payment via a settlement or clearing system.

ANNEXE D

FORM OF GUARANTEE CALL
CALL BY SOCIÉTÉ TERRITORIALE

To: [Contact details of Guarantor as appears on the Website]

Date: [**insert date**]

Registered letter with request for acknowledgement of receipt or delivered by hand against receipt or service by a bailiff (*exploit d'huissier*)

Payment demand under the First Demand Guarantee version 2026.1

Dear Sir/Madam,

1. We refer to the first demand guarantee granted by you in accordance with the Model Guarantee version 2026.1 as established by the Board of Directors of Agence France Locale – Société Territoriale (the **Guarantee**).

2. Unless otherwise defined in this Guarantee Call, the capitalised terms and expressions used below shall have the meaning assigned to them in the Guarantee.

3. We inform you that Société Territoriale has recently received [a Guarantee Call under the Société Territoriale Guarantee/a Guarantee Call Request] for a total amount of [*state the amount*] euros (the **Amount Claimed**).

4. Consequently, we ask you to pay the Amount Claimed to the holders of the Guaranteed Instruments as per the following details (in euros):

ISIN*	**Common Code***	**Date of Guaranteed Instrument**	**Maturity date of Guaranteed Instrument**	**Amount (principal)**	**Amount (interest)**	**Other outstanding amounts (late payment interest, charges, etc.)**	**Total of the amounts outstanding**

* *where applicable*

5. In accordance with Article 9.4 of the Guarantee please find enclosed:

   (a) a copy of the call received within the context of the Société Territoriale Guarantee, including its appendices, or a copy of the Call Request issued by Agence France Locale, excluding its appendices;

   (b) a sworn statement by Société Territoriale confirming the Société Territoriale Guarantee call or the existence of a Payment Request;

   (c) a list of the holders of the Guaranteed Instruments to which the call relates and the allocation of the amount called among the said holders or, where appropriate, details of allocation and payment if the Guaranteed Instruments are admitted to a clearing or settlement system;

(d) the bank account details of the Escrow Account, to which the amounts called are to be transferred.

6. In accordance with the terms of Section III of the Guarantee, we ask you in your capacity as Guarantor under the Guarantee to pay us the Amount Claimed.

7. In accordance with the terms of Article 10.2 of the Guarantee, the Amount Claimed must be paid [within five (5) Business Days of the date of receipt of this Guarantee Call/on _____].

8. The Amount Claimed must be paid to the Escrow Account, the bank account details of which are attached.

Yours faithfully,

For Société Territoriale
By: **[*Insert name of signatory*]**
Job title: **[*Insert job title of signatory*]**

4. DESCRIPTION OF ST

4.1 4.1 Description of the direct majority shareholder: ST

(a) Information on ST

(i) History and development of ST

(A) Company name and trade name

ST's company name is "Agence France Locale – Société Territoriale".

(B) Place of registration and registration number

ST is registered with the Paris Trade and Companies Register under no. 799 055 629.

(C) Issuer's date of incorporation and term

ST was incorporated on 3 December 2013 as a French limited liability company (société anonyme) with a Board of Directors pursuant to Article 35 of the French law of 26 July 2013.

ST's term is 99 years as from the date of its registration with the Companies and Trade Register, i.e., until 8 December 2112, unless such term is extended or the Issuer is dissolved prior to this date.

(D) General information

I. Registered office

The Issuer's registered office address, telephone and fax numbers and website are as follows:
Agence France Locale – Société Territoriale
41, quai d'Orsay, 75007 Paris, France
Tel: +33 (0) 0 70 81 85 17
Fax : +33 (0) 4 84 88 26 46
Website: https://www.agence-France-locale.fr/
E-mail: EMTN@afl-banque.fr

II. Legal form

ST is a French limited liability company (société anonyme) with a Board of Directors governed by the provisions of the French Commercial Code (Code de commerce).

III. Applicable legislation

Subject to the legal and regulatory provisions related to financial companies, particularly the applicable articles of the French Monetary and Financial Code (Code monétaire et financier), the Issuer is governed by commercial law, principally by Articles

L. 210-1 et seq. of the French Commercial Code, as well as its articles of association.

ST is a financial holding company pursuant to Article L. 517-1 of the French Financial and Monetary Code.

(ii) Investments

Pursuant to the Shareholders' Agreement, ST allocates annually to the Issuer at least 95% of the amounts it receives under capital increases and/or from shareholder loans, subject to any relevant prudential-related issues.

(b) Business Overview

ST's corporate objects are set forth in article 2 of its articles of association (Statuts). ST operates as a financial holding company, whose activity primarily consists of:

- representing shareholders;
- activation of the guarantee mechanism in the event that the ST Guarantee or the Member Guarantees are called on;
- appointing members of the Supervisory Board of the credit institution;
- setting the overall strategic direction and risk appetite framework; and

(c) promoting the model, jointly with AFL, in particular to local authorities with to view to increasing the number of Members. Administrative and management boards

ST's governance is based on the separation of duties between its general management and its administration.

(i) Membership of the administrative and management boards

(A) General management

The general management of ST at the date of this Base Prospectus is carried out by a Chief Executive Officer and one Deputy CEO:

First name, Last name ***Date and place of birth***	***Functions*** ***Professional address***	***Offices held and functions performed within the Group on the date of this Base Prospectus***	***Offices held and functions performed outside the Group at 15 July 2026***
Mr Philippe Rogier Born on 25 January 1965 in Toulouse (31)	Chief Executive Officer 41, quai d'Orsay – 75007 Paris	Member of the Issuer's Supervisory Board	– Chair of the Association Chai Les Senons

Mr Yves Millardet Born on 24 August 1964 in Vannes, (56260)	Deputy Chief Executive Officer 41, quai d'Orsay – 75007 Paris	Chairman of the Issuer's Executive Board As Chair of the Issuer's Executive Board, permanent representative of the Issuer in its capacity as sole shareholder of Agence France Locale - Immobilière	– Member of the Board of Directors of EAPB (European Association of Public Banks) – Standing representative of Agence France Locale, member of the bureau of the Board of Directors of OCBF – General Manager of SCI 3 plage – General Manager of SCI 13 Koz-Ker

(B) Board of Directors

In accordance with applicable provisions of the articles of association, at the annual general meeting held on 21 May 2024, the shareholders decided to renew the membership of the Board of Directors. In order to ensure shared governance between all categories of Members, the shareholders appointed their representatives to the Board of Directors, by shareholder type (electoral blocs) in accordance with the applicable statutory provisions.

The membership of the Board of Directors as of the date of this Base Prospectus is set forth below:

Forename, surname Date and place of birth	***Offices held and functions performed, and specific attributes, if any Professional address***	***Offices held and functions performed within the Group on the date of this Base Prospectus***	***Offices held and functions performed outside the Group at 15 July 2026***
Mrs Marie Ducamin Born 11 August 1967 in Saint-Denis (93)	Chairman of the Board of Directors and Director 41, quai d'Orsay – 75007 Paris	Vice-chair and member of the Issuer's Supervisory Board	– Director of the SEMOP for the urban heating network of Rennes Métropole – Member of the Board of Directors of the Association Nationale des Pôles d'Equilibre Territoriaux et Ruraux et des Pays (ANPP – project territories) – Member of the Local Finance Committee – Director –Ille-et-Vilaine Mayors' Association – Vice-president of Archipel Habitat (OPH in Rennes Métropole) – Director of SEM des Transports Collectifs de Rennes Métropole -Trajectoires-Semtcar – Director of SPL de Rennes Métropole -Citédia Métropole
Mr Sacha Briand Born 11 December 1969 in Villeneuve Saint Georges (94)	Chair of the Board of Directors and Director 41, quai d'Orsay – 75007 Paris	Chairman and member of the Issuer's Supervisory Board	– Vice-President of Métropole de Toulouse, responsible for finance – Deputy Mayor of the city of Toulouse, responsible for finance, elections and modernisation of public action – Regional councillor of the Région Occitanie, member of the Finance Committee and of the Transport and Infrastructure Committee – President of EPFL Grand Toulouse – Member of the trade union committee of SDEHG – Member of the trade union committee of SM Tisséo Collectivité – Member of the Board of Directors of SPL Tisséo Ingénierie

Forename, surname Date and place of birth	*Offices held and functions performed, and specific attributes, if any Professional address*	*Offices held and functions performed within the Group on the date of this Base Prospectus*	*Offices held and functions performed outside the Group at 15 July 2026*
			– Member of the Board of Directors of EPIC Tisséo Voyageurs – Lawyer and member of the Toulouse Bar

Forename, surname Date and place of birth	*Offices held and functions performed, and specific attributes, if any Professional address*	*Offices held and functions performed within the Group on the date of this Base Prospectus*	*Offices held and functions performed outside the Group at 15 July 2026*
Nouvelle-Aquitaine Region (SIREN: 200053759) Represented by Mrs Sandrine Derville, Born on 13 May 1983 in Bayonne (64)	Director 41, quai d'Orsay – 75007 Paris	None	– Vice-president responsible for finance, general administration, Région Nouvelle-Aquitaine – Director, Biarritz-Pays-Basque Airport – Vice-president, Agence d'Urbanisme Atlantique Pyrénées (AUDAP) – Director, Agence des Pyrénées – Vice-president of the Supervisory Board, Société Portuaire du Port de Bayonne – Director, Nobatek – Director, Scène Nationale du Sud-Aquitain – Director, SEM Biarritz Océan – Engineer, Capgemini
Région Pays de la Loire (SIREN: 234 400 034) Represented by Mr Didier Reveau, Born on 8 August 1958 in Angers (49)	Director 41, quai d'Orsay – 75007 Paris	None	– Regional councillor, member of the finance committee, Région Pays de la Loire – President of the Communauté de Communes du Perche Emeraude – Mayor of the commune of Ferté-Bernard – Director of SEM La Fertoise – Director of SEM Pays de la Loire – Director of SPL Pays de la Loire – President of the *Centre de gestion de la fonction publique territoriale de la Sarthe*
Occitanie Region (SIREN: 200053791) Represented by Mr Stéphane Bérard Born on 9 August 1971 in Figeac (46)	Director 41, quai d'Orsay – 75007 Paris	None	– Regional councillor, member of the finance committee of Région Occitanie – Vice-President of the *communauté de communes du Grand-Figeac*
Département de l'Essonne (SIREN: 229,102,280) Represented by Mr Nicolas Samsoen Born on 29 December 1970 in Neuilly-sur-Seine (92)	Director and Member of the audit and risks committee 41, quai d'Orsay – 75007 Paris	None	– Vice-President responsible for finance and efficiency of public policy for the Département de l'Essonne – Mayor of the commune de Massy – Chairman-Chief Executive Officer of Paris Sud Aménagement – Chairman of the strategic committee of Société du Grand Paris – Community councillor *Agglomeration Community Paris-Saclay*
Département de la Savoie (SIREN: 227 300 019) Represented by Mr Luc Berthoud Born on 21 December 1962 in Chambéry (73)	Director and Chair of the Appointment, Compensation and Corporate Governance Committee 41, quai d'Orsay – 75007 Paris	None	– Departmental Councillor of Savoie, and in the context of this mandate: o Chair and member of the Board of Directors of Société Publique Locale de la Savoie o Member of the Board of Directors of Société d'Aménagement de la Savoie o Member of the Board of Directors of SEM Savoie ENR – Mayor of the commune de la Motte-Servolex (73) – President of OPAC de Savoie – CEO of SPL de Savoie – Vice-president responsible for the economy, higher education and innovation, ecological transition and sustainable development Grand-Chambéry Agglomération – Vice Chair, Chambéry Grand Lac Economie

Forename, surname Date and place of birth	*Offices held and functions performed, and specific attributes, if any Professional address*	*Offices held and functions performed within the Group on the date of this Base Prospectus*	*Offices held and functions performed outside the Group at 15 July 2026*
Métropole Aix-Marseille (SIREN: 200054807) Represented by Mr David Ytier Born on 5 December 1990 at Aix-En-Provence (13)	Director 41, quai d'Orsay – 75007 Paris	None	– 11th Vice-President, responsible for budget, finances for tax strategy, control of public spending, and satellite control, Aix-Marseille-Provence – 1st Deputy Mayor, responsible for municipal finances, human resources, historical heritage, and Provençale tradition, Municipality of Salon-de-Provence – Associate lecturer in public law, Aix-Marseille University
Métropole du Grand Nancy (SIREN: 245,400,676) Represented by Mr François Werner Born on 3 March 1963 at Nancy (54)	Director and Chair of the audit and risk Committee 41, quai d'Orsay – 75007 Paris	None	– Deputy Vice President responsible for attractiveness, economic development, and Tourism, Greater Nancy Metropolitan Area – Mayor, Municipality of Villers-Lès-Nancy – Vice President responsible for energy transition, Grand Est Region – General inspector of Finance – President of the Audit committee, PREPAR-VIE – President, ILP Group (ILP INSTITUT LORRAIN DE PARTICIPATION) – Lecturer, IEP Paris
Métropole de Lyon SIREN: 246 900 245) Represented by Mr Pascal Rothe Born on 2 December 1960 at Grenoble (38)	Director 41, quai d'Orsay – 75007 Paris	None	– Vice President, responsible for Finance, Digital Affairs, Public procurement, and public policy evaluation, Lyon Metropolitan Area
Municipality of the Conurbation Bassin de Bourg-en-Bresse (SIREN: 210100533) Represented by Mr Bernard Bienvenu Born 20 February 1957, in Belleville (69)	Director 41, quai d'Orsay – 75007 Paris	None	– 1st Vice-Chair, responsible for services for municipalities and devolution of the Municipality of the Conurbation Bassin de Bourg-en-Bresse – Mayor of the Commune de Polliat – Representative of the Communauté d'agglomération du Bassin de Bourg-en-Bresse on the Board of Directors of SOGEPEA and SPL IN TERRA
Municipality of the Conurbation de la Roche-sur-Yon (SIREN: 248500589) (pending appointment of permanent representative)	Director 41, quai d'Orsay – 75007 Paris	None	N/A
Municipality of de Buschwiller (SIREN: 216800615) Represented by Mrs Christèle Willer Born on 5 March 1970 in Mulhouse (68)	Director and Member of the appointments, remuneration and corporate governance Committee 41, quai d'Orsay – 75007 Paris	None	– Mayor of the Commune de Buschwiller (68) – Vice-president responsible for digital, Saint-Louis Agglomération – President, SEM OKTAVE (energy renovation of buildings) – Director, SEM Grad-Est Energie – Vice-president responsible for sustainable high schools and education, Région Grand-Est – Director S.E.M.D.I.C. the three frontiers clinic

Forename, surname Date and place of birth	*Offices held and functions performed, and specific attributes, if any Professional address*	*Offices held and functions performed within the Group on the date of this Base Prospectus*	*Offices held and functions performed outside the Group at 15 July 2026*
Municipality of Mareau-aux-Prés (SIREN: 214501967) Represented by Mr Bertrand Hauchecorne Born on 2 March 1950 in Algiers, Algeria	Director and Member of the appointments, remuneration and corporate governance Committee 41, quai d'Orsay – 75007 Paris	None	– Mayor of the Commune de Mareau-aux-Prés (45) – Assistant Secretary General – Association of Mayors of France and intercommunal entity presidents – President of the planning Committee, Committee of the Bassin Loire-Bretagne – Member of the Board of Directors, French rural mayors association – Member of the local finance committee and of the steering committee - French local public management office – President of the Syndicat d'aménagement de l'Ardoux – Member of the Board of Directors of EPFL du Loiret – Vice-President of PETR Pays-Loire Beauce – Treasurer and member of the Board of Directors of Conseil Architecture Environnement (CAEU) of the Loiret – Director of educational publications, Ellipses publishing house
Municipality of Boussy-Saint-Antoine (SIREN: 219 100 971) Represented by Mr Romain Colas Born on 22 November 1979 at Créteil (94)	Director 41, quai d'Orsay – 75007 Paris	None	– Mayor, Municipality of Boussy-Saint-Antoine – Vice President, Association of small towns of France (APVF) – Board Member, Association of mayors of Île-de-France – Vice President, Val d'Yerres-Val de Seine Urban Community – President, SYAGE-EPAGE DU BASSIN VERSANT YERRES SEINE – Delegate, Syndicat Mixte Fermé eau Sud Francilien – Delegate, Sivom de la Vallée de l'Yerres et des Sénarts – President, Intermunicipal Association for the pooling of services in Boussy/Quincy – Secretary General, European center of flood prevention

(C) General secretary

As of the date of this Base Prospectus, the Board of Directors has not nominated a General Secretary and has no plans to do so at such time.

(D) Conflicts of interest

To the Issuer's knowledge and as at the date of this Base Prospectus, there is no actual or potential conflict of interest between the duties of the individuals mentioned in paragraphs (A) and (B) above with regard to ST and their private interests or other duties.

(d) Operation of the administrative bodies (article 16 of the articles of association)

(i) Board of Directors

(A) Membership of the Board of Directors

I. Membership and appointment procedures

The Board of Directors has a minimum of ten (10) and maximum of fifteen (15) members. No director over 70 years of age shall be appointed to the Board if his/her appointment increases to more than one-third the number of directors over 70. If the number of its directors over 70 years old exceeds one-third of the Board, the oldest member will be deemed as having resigned automatically from office.

During each Board membership review, each category of Local Authority may elect a certain number of directors. Such number is determined in proportion to the relevant Local Authority's weighting in the local government debt compared to the aggregate amount of such debt borne by all of the Local Authorities as at the date of the review.

II. Duration of terms of office

The members of the Board of Directors are appointed for a six-year term, renewable according to the aforementioned majority requirements. The term of office ends at the ordinary shareholders' meeting called to vote on the accounts for the recently completed financial year held in the year in which their term of office expires.

III. Powers of the Board of Directors

The Board of Directors decides on ST's business strategy and oversees its roll-out. It examines any and all issues related to the efficient running of ST, and makes any and all business decisions within its remit, subject to those powers expressly conferred to the shareholders' meetings and within the limit of the corporate purpose.

Accordingly, the Board of Directors, acting by a simple majority, makes decisions within its authority in light of applicable laws and regulations and also decides on the following:

- general measures related to ST's organisation and running,
- adoption of the scoring method to identify which Local Authorities are eligible to join the Agence France Locale Group,
- ST's budget,
- ST's management report,

- preparation of the financial statements and proposal on the appropriation of ST's profits,
- general terms on hiring, employment and wages,
- the roll-out and the monitoring of the guarantee structure,
- use of the initial capital contributions made by ST's new shareholders, and
- the specific financial requirements for Local Authority candidates to meet in order to become a ST shareholder.

The Board of Directors also has the authority at any time to (i) request from its Chief Executive Officer the documents validating his decision that a certain Local Authority was eligible to join the Agence France Locale Group and (ii) conduct any investigation it deems necessary to ensure that the scoring method was correctly applied at the time of membership.

Moreover, the Board of Directors:

- receives from the Issuer yearly updates on the Members' financial positions,
- prepares any resolution coming under the authority of ST's shareholders' meeting,
- presents the financial statements of the most recently completed financial year and the budget for the upcoming year at ST's ordinary shareholders' meeting, and
- formulates the instructions provided to ST's Chief Executive Officer, defines his role in representing ST and ensures that the Board decisions are carried out.

The Board of Directors makes any checks and controls that it deems appropriate. Each director receives all the necessary information to perform his or her duties and he or she may request any document considered useful.

IV. Deliberations of the Board of Directors

The Board of Directors meets at least quarterly and as frequently as ST's interests require.

The Board of Directors may only hold deliberations validly if at least half of its members are in attendance or deemed present.

V. Chairmanship of the Board of Directors

The Board of Directors appoints from among its members a chairman who must be a natural person lest the appointment be null and void. The Chairman does not receive compensation for the performance of his duties.

The Chairman is appointed for a renewable six-year term, which cannot exceed the term of his appointment as director. He is eligible in any event for re-appointment.

The Chairman organises and heads up the work conducted by the Board of Directors and reports on it to the shareholders' meeting. He oversees that ST's boards are running properly and, in particular, that the directors are capable in carrying out their mandate.

The Board of Directors also appoints from among its members a Vice Chairman whose role is to replace the Chairman in the event the latter is prevented from attending to his duties or dies. The Vice Chairman does not receive compensation for the performance of his duties.

VI. The Board of Directors' committees

The Board of Directors may form committees to analyse and issue an opinion on any matters put forth to it by the Board of Directors or its Chairman.

The Board of Directors determines the membership and the powers of the committees, which operate under its responsibility.

The Board of Directors places reliance on the work and diligence performed by the following two (2) specialised committees:

- an audit and risks committee; and
- an appointment, compensation and corporate governance committee

VII. The Board of Directors' compensation

The members of the Board of Directors are not paid any compensation for the performance of their terms of office. However, they may request reimbursement for any reasonable expenses that they made in connection with their duties upon submitting the appropriate receipts and documents.

(ii) General management

(A) Appointment

The Board of Directors appoints the Chief Executive Officer. At the Chief Executive Officer's proposal, the Board of Directors may appoint one to three individuals to assist him as Deputy Chief Executive Officer(s).

The Chief Executive Officer and Deputy Chief Executive Officer cannot be more than 70 years old. When the Chief Executive Officer or Deputy Chief Executive Officer reaches this age during their term office, such term shall automatically terminate at the end of the upcoming ordinary shareholder's meeting convened to approve the financial statements for the recently completed financial year.

(B) Powers

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on ST's behalf. He exercises the powers within the limit of the corporate purpose and subject to those powers expressly conferred to the shareholders' meetings and the Board of Directors, powers that are attributed, where relevant, to the General Secretary.

The Board of Directors may also reduce the scope of the Chief Executive Officer's power in a specific manner.

The Chief Executive Officer represents ST in its dealings with third parties. ST is bound by the actions of the Chief Executive Officer even if such actions are beyond the scope of the corporate purpose, unless it can prove that the third party knew that the relevant action was beyond the scope of the corporate purpose or had constructive knowledge thereof in view of the circumstances.

Under the Board of Directors' permanent control, the Chief Executive Officer ratifies the list of Local Authorities that are eligible to join the Agence France Locale Group according to the scoring method defined by the Board of Directors.

The provisions of ST's articles of association and the Board of Directors' decisions reducing the Chief Executive Officer's powers are not binding on third parties.

In agreement with the CEO, the Board of Directors shall determine the scope and duration of the powers granted to the Deputy CEOs. They shall have the same powers with respect to third parties as the Chief Executive.

(C) Compensation

The Board of Directors sets the compensation for the Chief Executive Officer and the Deputy Chief Executive Officer(s).

(D) Duration of terms of office

The Chief Executive Officer and the Deputy Chief Executive Officer(s), where relevant, are appointed for renewable six-year terms. As an exception to the foregoing, the first term of office of the Chief Executive Officer, and, where applicable, of the deputy managing director(s), was for a period of three (3) years; this statutory provision was, however, removed by the general meeting of ST shareholders held on 20 May 2026, with application to future appointments.

(E) Dismissal and impediment

The Board of Directors may dismiss the Chief Executive Officer at any time. The Deputy Chief Executive Officers may likewise be dismissed at the Chief Executive Officer's proposal.

In accordance with law, the Chief Executive Officer and/or any Deputy Chief Executive Officer who has been dismissed without just cause may claim damages from ST for the losses suffered resulting from such unjustified dismissal.

When the Chief Executive Officer ceases to perform or is prevented from attending to his duties, the Deputy Chief Executive Officers remain in office and conserve their powers until the appointment of a new Chief Executive Officer, unless otherwise decided by the Board.

(e) Additional information

(i) Share capital

On 17 June 2026, ST concluded its 47th share capital increase. Following this capital increase, the share capital of the ST stands at two hundred and ninety-five million, five hundred and twenty thousand, nine hundred Euro (€295,520,900), divided into two million, nine hundred and fifty-five thousand, two hundred and nine (2,955,209) shares of €100 each, fully subscribed, fully paid up and all of the same class.

(ii) Indebtedness represented by securities

At 31 March 2026, no debt was recorded in ST’s company accounts. In its consolidated accounts, ST only held Issuer debt. At 31 March 2026, the amount of debt represented by a security of the Issuer, in accordance with the IFRS as adopted by the European Union, totalled €11,375 million. Between 1 January 2026 and 20 July 2026, the Issuer proceeded with bond issues for a total principal amount of €1,001 million and redeemed bond issues in a total principal amount of €775 million.

(iii) Memorandum and articles of association

In accordance with the provisions of article 2 of the articles of association, ST's corporate purpose consists of:

- establishing and becoming a shareholder of the Issuer, whose corporate purpose is to contribute funding to the Local Authorities;
- helping its shareholders generate first and foremost savings and not profits;
- guaranteeing the Issuer's financial commitments;
- defining the strategic focuses of the Agence France Locale Group, whose legal and operating structures include ST and the Issuer;

- managing the Agence France Locale Group's guarantee system;
- providing, where necessary, certain resources and services to the Issuer;
- and generally, carrying out transactions of any kind, whether they be economic, legal, financial, civil or commercial in nature, that may be related, directly or indirectly, to any of the above purposes or to any similar or related purpose.

(f) Material agreements

Other than the agreements described below, there are no material agreements (other than contracts entered into in the ordinary course of business) that confer rights, or place obligations, on ST or the Issuer that may have a material impact on ST's ability to perform its obligations to the Noteholders under the ST Guarantee.

4.2 Description of ST's shareholders

(a) Shareholder structure

ST's shareholder base is exclusively comprised of Local Authorities, which have obtained the requisite authorizations from their relevant governance boards and whose financial position makes them eligible to become Members of the Agence France Locale Group.

The number of ST shareholders is expected to increase in lock step with the Agence France Locale Group's expansion to the extent where, in accordance with the provisions Article L. 1611-3-2 of the CGCT, the Issuer may only grant loans to Members who have also become ST shareholders. ST therefore regularly, and in the context of its normal business, increases its capital in order to include these new Members into its share capital. In addition, this increase in the number of shareholders will lead to a correlative drop in each Member's relative weighting in ST's share capital; therefore, no controlling shareholders will exist.

As of the date of this Base Prospectus, ST's share capital is held by 1,300 Local Authorities and is distributed among the following Local Authority Members:

Shareholder distribution by type of local authority at the date of this Base Prospectus

	Number	Committed capital	Paid-up capital	Voting powers
Region	6	68,187	51,199	17.94%
Department	20	80,393	46,891	16.43%
Municipality	992	77,194	66,925	23.45%
EPCI	253	130,444	120,393	42.18%
of which Metropolitan France	*15*	*81,617*	*77,872*	*27.28%*
Territorial Public Institution	*6*	*6,077*	*6,077*	*2.13%*
Urban Municipality	*10*	*5,217*	*4,481*	*1.57%*
Conurbation Municipality	*58*	*18,987*	*15,097*	*5.29%*
Combined Municipalities	*80*	*4,262*	*3,342*	*1.17%*
Syndicate and EPL	*84*	*14,284*	*13 523*	*4.74%*
TOTAL	**1271**	**356,217**	**285,408**	**100%**

Notwithstanding this diversity of shareholders, the legal mechanisms put in place ensure the stability of the shareholder base.

The updated list of ST's shareholders is available on the Issuer's website: (https://www.agence-France-locale.fr/app/uploads/2023/02/221228-afl-st-repartition-actionnariat.pdf). The information contained on this web page is updated for each capital increase within thirty days of the closing of the subscription period.

(b) Local Authorities' Membership to the Agence France Locale Group

By joining the Agence France Locale Group, the Local Authority can benefit from the services offered by the Issuer, and its enrolment and payment of the ICC provide the equity that the Agence France Locale Group needs to make its business sustainable.

(i) Membership request

Only Local Authorities may apply to become members of the Agence France Locale Group and, simultaneously, ST shareholders or eligible public entities.

The assessment of membership applications is based exclusively on objective indicators to assess, in particular, the relevant Local Authority's financial capacity, by reference to the criteria defined by the Decree (for all new entrants since 12 May 2020) and in accordance with Agence France Locale Group's scoring assessment methodology.

The evaluation process and scoring method adopted by ST's Board of Directors, based on the Executive Board's proposal and the Supervisory Board's opinion, are based on following three indicators: (i) solvency, (ii) budget sustainability and (iii) the Local Authorities' indebtedness. These three indicators have been weighted in relation to their size.

The criteria defined by the Decree and Agence France Locale Group's scoring assessment methodology are more fully described in paragraph 2.5(a) of the "Description of the Issuer" section of this Base Prospectus.

Under the supervision of the Board of Director or pursuant to a Board decision, ST's Chief Executive Officer sends formal acceptance of the membership.

(ii) Initial Capital Contribution

Membership is contingent upon payment of the ICC by the Members. The ICC payable at the time of joining is in principle valid for the Member's entire membership with the Agence France Locale Group except in the event of (i) capital increases or contributions made pursuant to legal or regulatory requirements or (ii) changes in the scope of membership (transfer of competences).

In principle, pursuant to ST's articles of association (*statuts*), payment by Members of the ICC may be staggered over a maximum period of three (3) calendar years. As an exception, above a certain threshold set by the Board of Directors, Members may request to pay their ICC in installments over a maximum period, increased by decision of ST shareholders' combined general meeting of 27 May 2021, to ten (10) calendar years.

As an exception to the above, payment by instalment by Local Authorities of their ICC may be made by reference both to the amount of the ICC payable, as defined in the *statuts*, and also to the amount of borrowing by way of medium and long-term financing entered into by the Local Authority with the Issuer during the financial year n (the Borrowing Volume). The request to pay by instalments must be specified in the Membership Request and will be accepted subject to certain conditions set forth in the *statuts* :

(i) undertaking to pay a fixed amount on the date membership commences (the First Instalment). In accordance with the *statuts*, the First Instalment is determined by ST's Board of Directors, on the proposal of the Executive Board and the opinion of the Supervisory Board of the Issuer. ST's Board of Directors establishes a single fixed amount applicable to all Local Authorities paying an ICC of an amount equal to or greater than €12 million and a single fixed amount applicable to all Local Authorities paying an ICC of an amount less than €12 million;

(ii) undertaking to pay an annual portion (the **Portion**) of the balance of the total remaining unpaid ICC (the **Balance**) the amount of which is determined objectively each year by ST depending on the Borrowing Volume of the relevant Local Authority with the Issuer. In accordance with the *statuts*, the Portion is an amount equal to the higher of the following indicators, the values of which are determined by ST's Board of Directors, on the proposal of the Executive Board and the opinion of the Supervisory Board of the Issuer:

i. a percentage of the Borrowing Volume;

ii. a single fixed amount applicable to all Local Authorities paying an ICC of an amount equal to or greater than €12 million and a single

fixed amount applicable to all Local Authorities paying an ICC of an amount less than €12 million.

In respect of the single fixed amount:

- The single fixed amount applicable to all members paying an ICC equal to or greater than €12 million amounts to €1 million in the first year;
- The single fixed amount applicable to all members paying an ICC less than €12 million amounts to €500.000 in the first year;

In respect of the above-mentioned Portion of the Balance:

- A percentage of the Borrowing Volume (whatever the ICC amount), set at 3%; and
- A single fixed amount applicable to all Members paying an ICC of an amount equal to or greater than €12 million, set at €500,000; and
- A single fixed amount applicable to all Members paying an ICC of an amount less than €12 million, set at €125,000.

Local Authorities may become members based exclusively on one or more ancillary budget(s), irrespective of the main budget.

The amount of the ICC is calculated as follows:

The amount of the ICC, expressed in euros, will equal:

Max (k_a *0.80%* Total Debt; ka, *0.25%*Operating Revenue)

Where: **Max (x; y)** is equal to the highest value among x and y.

Total debt corresponds to the total outstanding loans recognised in management account of the Local Authority applying for membership, with respect to the third-to-last year preceding the date on which the decision on the Local Authority's membership becomes enforceable, unless such Local Authority has not closed out a minimum of two financial years as of the date thereof. In this case, and only where the Local Authority was not created as a result of a Transfer of Competence, the Total Debt presented in the administrative account of the preceding financial year (if one exists) or in the preliminary budget for the financial year in which the decision became enforceable shall be used.

The relevant Total Debt figure shall be that published by DGFiP, or, if applicable, the General Directorate of Local Authorities (the **DGCL**), and in the event that the DGCL and the DGFiP stop publishing such information, their replacement body, or if there is no replacement, the relevant Local Authority under the control of the Issuer on the relevant date. It is noted that:

(i) Total Debt shall not include any debt related to project financing of private-public partnerships where the borrowing entity is not a shareholder of the Company. The following is also excluded from Total Indebtedness, since the amendments to the articles of association made by the ST Shareholders at the Extraordinary General Meeting on 27 May 2021:

- debts subscribed by the Local Authority concerned and relating to repayable advances,
- in the case of a Local Authority which is a public housing office, the debts contracted with the Caisse des Dépôts et Consignations.

(ii) in the event where the Local Authorities decided not to include certain budgets (main and ancillary) in their Total Debt at the time of membership, such budgets shall not receive any funding from the Agence France Locale until they have been effectively included.

(iii) The municipalities that belong to a tax-raising inter-communal cooperation public entity (EPCI) or a territorial public establishment as referred to in article L.5219-2 of the CGCT may request that the debts they allocated to such public entity are not included in their Total Debt so long as they submit to the ST documents proving such allocation.

Operating Revenues correspond to the total actual operating revenues recognised in the management account of the Local Authority applying for membership, with respect to the third-to-last year preceding the date on which decision on the Local Authority's membership becomes enforceable unless such Local Authority has not closed out a minimum of two financial years as of the date thereof. In this case, and only where the Local Authority was not created as a result of a transfer of competence, the Operating Revenues presented in either the administrative account of the preceding financial year (if one exists) or in the preliminary budget for the financial year in which the decision became enforceable shall be used.

The relevant Operating Revenues figure shall be that published by the DGFiP, or, if applicable, the DGCL, and in the event that the DGCL and the DGFiP stop publishing such information, their replacement body, or if there is no replacement, the relevant Local Authority under the control of the Issuer on the relevant date. It is noted that:

(i) in the event where the Local Authorities decided not to include certain budgets (main and ancillary) in their Operating Revenues at time of membership, such budgets shall not receive any funding from the AFL until they have been effectively included;

(ii) Tax refunds allocated as a payment by the EPCIs shall not be included in the amount of their Operating Revenues.

k_n and k_n' are coefficients that are equal to or greater than one (1), determined by ST's Board of Directors at the proposal of the Executive Committee and with the opinion of the Issuer's Supervisory Board for each of the periods over which payment of the CCI can be phased, based on economic and financial criteria with the main goal of ultimately ensuring the Agence France Locale Group's capital adequacy in light of its mandate.

The final amount is rounded up to avoid the appearance of broken figures during the ST capital increases allowing the inclusion of ICCs.

The combined ST shareholders' general meeting, held on 30 September 2016, approved the amendments to the articles of association enabling Members, which so expressly request on the date of their accession, to benefit from an adjustment of the terms of payment of their ICC, allowing them to pay the amount of their ICC by instalments and over a period potentially exceeding three years.

These provisions of the articles of association are also valid for local authorities having become members based exclusively on one or more ancillary budget(s).

The amount of the ICC payable by Local Authorities opting to take advantage of adjusted ICC payment terms, expressed in euros, is determined as follows:

Max (ka *0.80%* Total Debt; ka' *0.25%*Operating Revenue)

Where:
Max (x; y) has the meaning given thereto above;

Total Debt has the meaning given thereto above;

Operating Revenue has the meaning given thereto above;

ka et ka' are coefficients greater than or equal to one (1) which shall be determined by ST's Board of Directors upon the proposal of the Executive Board and an opinion of the Issuer's Supervisory Board by reference to economic and financial criteria to ultimately ensure the Agence France Locale Group's capital adequacy in light of its mandate.

The final amount shall be rounded up to avoid any fractional entitlements whenever the share capital of ST is increased.

Local Authorities, which so expressly request on the date of their accession, may benefit from an adjustment of the method of calculation of their ICC (**Adjusted ICC**), to take into account in calculating their ICC, subject to certain strictly defined conditions in ST's articles of association, the actual amount of their indebtedness.

The Adjusted ICC amount payable by Local Authorities that have expressly opted for an adjusted ICC calculation method is determined as follows:

Any Local Authority wishing to opt for Adjusted ICC must first determine the ICC amount payable pursuant to one or other of the formulae specified above by calculating the ICC based (a) on Total Debt and (b) Operating Revenue.

If the ICC amount calculated by reference to Operating Revenue is higher than such amount calculated by reference to Total Debt, the Local Authority may not adjust its ICC amount and must pay its ICC without benefitting from Adjusted ICC.

If the Local Authority is permitted to adjust the amount of its ICC, it shall nominate the reference calendar year to be used as the basis for determining its total indebtedness (**Reference Total Debt**).

A provisional ICC shall be calculated based upon the recorded or anticipated indebtedness in respect of the reference calendar year nominated for the purpose of either of the formulae referred to above (**Provisional Adjusted ICC**).

At the end of the nominated reference calendar year, the actual ICC amount shall be calculated as provided below (**Actual Adjusted ICC**).

Reference Total Debt shall mean (i) total debt for the calendar year preceding its accession or (ii) total debt of the calendar year in which it requested accession or (iii) total debt for the calendar year following that in which it requested accession.

If the relevant Local Authority decides not to include certain budgets (main or ancillary) in the definition of Reference Total Debt on the date of Request for Accession, the relevant budgets may not be financed by Agence France Locale until such budgets have effectively been included.

The amount of the Provisional Adjusted ICC as defined on the date of request for accession may not in any event be less than 80% of the amount of the ICC as calculated pursuant to one or other of the aforementioned formulae.

At the end of such reference calendar year, the Actual Adjusted ICC amount is calculated by reference to the total actual debt recorded for the reference calendar year (**Actual Debt**) and by reference to the actual operating revenue recorded for the reference calendar year (**Actual Operating Revenue**) pursuant to one or other of the aforementioned formulae.

Where the Actual Adjusted ICC amount calculated by reference to Actual Debt is less than the amount calculated by reference to Actual Operating Revenue, the Actual Adjusted ICC amount shall be determined by reference to Actual Operating Revenue.

The actual amount of Actual Adjusted ICC payable is determined as follows:

(i) if the Actual Adjusted ICC is greater than the Provisional Adjusted ICC, the difference between the two such amounts must be paid, exceptionally, by single payment during the financial year following the reference calendar year and must be paid by the Local Authority no later than 31 December, upon demand by the Chief Executive Officer of ST. If the Local Authority fails to make such payment, it may be treated as a Dormant Member;

(ii) if the Actual Adjusted ICC is less than the Provisional Adjusted ICC, the difference so determined shall be applied, as from the financial year following the reference calendar year, against the Actual Adjusted ICC amount.

The Adjusted ICC amount shall be rounded up to avoid any fractional entitlements whenever the share capital of ST is increased to incorporate ICCs into the share capital

(c) Stability of the shareholder base and changes impacting Members

(i) Stability of the shareholder base

The Agence France Locale Group's success is intrinsically linked to its shareholder base that provides both equity and the guarantees that it needs to carry out its mandate.

The contractual framework in place therefore maintains the stability of ST's shareholder base by stipulating the following:

- At the time of taking out any loan with the Issuer, Local Authorities must be Members, and in turn ST shareholders, to receive funding from the Agence France Locale Group and shall remain so until the loan has been fully paid back (forfeiture or loss of membership triggers an early repayment of the loans granted to Members);

- As part of the Shareholders' Agreement, ST's shareholders agree to hold on to their shares until the tenth (10^{th}) anniversary of the full payment of their ICC;

- ST's articles of association set forth that the Board of Directors must approve any sale of shares;

- Any third party that purchases ST shares without the Board of Directors' approval shall be required to become a party to the Shareholders' Agreement without becoming a Member.

ST's Board of Directors may decide, by the unanimity of its members, to reduce the lock-up period mentioned above under exceptional circumstances.

Neither ST nor the Issuer shall be required to repurchase a Member' shares, except where approval has been denied or membership revoked.

(ii) Creation, regrouping and phase-out of Local Authorities

In the event a Local Authority's sphere of competence is amended, either by a transfer of competence, merger, regrouping or otherwise, ST's Board of Directors has the right to review the financial position of the Member(s) involved in these proceedings and may make them, where necessary, ineligible for loans granted by the Issuer by downgrading them to a Sleeping Member. The mechanism set forth in the Shareholders' Agreement may be activated in connection with the entry into force of the MAPTAM Law and the potential transfers of competence this law could result in.

In the event that such Local Authorities continue to be full Members, they are required to pay an additional ICC for the acquired competences if the transferring Local Authority did not pay an ICC for them. The calculation of the additional ICC is set forth in detail in the Shareholders' Agreement.

(d) Option to expel a Member

In certain exceptional circumstances, the Agence France Locale Group may expel a Member subject to the Board of Directors' decision with respect thereto.

Acting on a proposal of the Executive Board and the Supervisory Board, the Board of Directors may pass a decision, by a majority of two thirds of its members in attendance or represented, to expel a Member in one of the following cases:

- material breach by the relevant Member of one of its commitments under the Shareholders' Agreement, the Member Guarantees, ST's articles of association or, where relevant, the Issuer's articles of association;

- material breach by the relevant Member of one of the rules of the Agence France Locale Group's code of conduct and ethics;

- significant deterioration of the relevant Member's financial position to such an extent that it is no longer able to meet the solvency criteria its membership in the Agence France Locale Group is contingent to; or

- the relevant Member is a Sleeping Member that no longer has loans outstanding with the Issue

5. DESCRIPTION OF THE ISSUER'S INDIRECT SHAREHOLDERS: THE LOCAL AUTHORITIES

5.1 Financial Information on the Members

In light of the large and continually growing number of Members, incorporating the information on each of them in this Base Prospectus would be inconsistent with the objective under the Prospectus Regulation of providing easily understandable and readable information to the Noteholders.

Accordingly, the information required under section 3 of Schedule 21 of Delegated Regulation (EU) no. 2019/980 (as amended), has been intentionally omitted from this Base Prospectus within the meaning of article 18 of the Prospectus Regulation.

5.2 Description of the Members and their institutions

Article L. 1611-3-2 of the CGCT provides that the capital of Société Territoriale, and therefore indirectly of the Issuer, is wholly owned by the local authorities, their groupings and the local public establishments (EPLs).

5.2.1. Local Authorities

Article 72 of the Constitution of 4 October 1958 provides that the local authorities include: *communes* or municipalities, departments, regions, special-status authorities and overseas authorities.

5.2.1.1. Municipalities

Created by a decree of 14 December 1789, the "*communes*" or municipalities are governed, in particular, by Articles L. 2111-1 to L. 2581-1 of the General Code for Local Authorities (CGCT). On 1 January 2025, there were 34,875 municipalities in mainland France and the overseas departments[28]. 97% of all the municipalities have a population of less than 10,000 inhabitants.

The municipal council, whose members are elected by direct universal suffrage in municipal elections, is the legislative body of this local authority. It is composed of the mayor, the deputy mayors and the municipal councillors. Its powers are very broad since the municipal law of 1884, which entrusts it with regulating "*through its deliberations the affairs of the commune*" (Article L. 2121-29 of the General Code for Local Authorities (CGCT)). The first of its prerogatives is to elect the mayor from among the municipal councillors.

The competences of the municipalities are vast; they benefit in particular from a general clause of competence, and can intervene in all the matters which present a communal public interest as long as

28 https://www.collectivites-locales.gouv.fr/files/Accueil/DESL/2025/BIS%20195_%20interco%202025_VF.pdf

they do not encroach on the competences attributed by the law to the State or to another territorial authority. In addition, many laws give the municipalities specific competences in various areas.

The municipal council may delegate some of its powers to the mayor. Article L. 2122-22 of the General Code for Local Authorities (CGCT) sets out a restrictive list of tasks that may be delegated to the mayor. The mayor alone is responsible for matters of policing. Mayors exercise this power through decrees, under the control of the prefect.

Almost all the municipalities are members of an EPCI with tax-raising powers or, where applicable, of the Métropole de Lyon, which is a territorial authority. There are four mono-communal islands enjoying special legislative dispensation (Ile d'Yeu, Ile de Bréhat, Ile de Sein and Ile de Ouessant).

The number of municipalities is relatively stable. Nevertheless, mergers of neighbouring municipalities are encouraged to create new municipalities. Due to the 2026 municipal elections, the law does not allow the creation of new municipalities in the year preceding the elections, and the total number of municipalities remained stable at 34,875 on 1 January 2026. On that date France has 846 new municipalities throughout the mainland, for a total of 2,702 municipalities and approximately 2.9 million inhabitants. The majority of the new municipalities are small in size: nearly 48% have between 500 and 1,999 inhabitants, while about 28.5% have between 2,000 and 4,999 inhabitants.

The creation of new communes was provided for by Law 2010-1563 of 16 December 2010 on the reform of local authorities in order to make it easier to merge municipalities and to better combat municipal fragmentation. In the first four years of the law's application, only 13 new municipalities were created. In order to encourage the creation of new municipalities, Law 2015-292 of 16 March 2015 on the improvement of the regime of the new municipality, for strong and lively municipalities, completed the system by giving more prominence to the municipal councillors of the former municipalities.

New municipalities can be created to replace one or more neighbouring municipalities[29]. Such a merger follows a precise procedure, described by the General Code for Local Authorities (CGCT) (notably in its Article L. 2113-2). In this respect, only certain players can request the creation of a new municipality, namely the municipal councils of the merged municipalities and the prefect.

The new municipalities created in this way are subject to the rules applicable to municipalities[30] and only the newly created municipality has the status of a local authority. The former municipalities that make it up form delegated municipalities (*communes déléguées*).

5.2.1.2. Departments (*départements*)

The departments were created by the law of 22 December 1789 on the constitution of primary assemblies and administrative assemblies[31]. The department is a decentralised territorial authority administered by a departmental council, its legislative body, and a president of the departmental council, which is the executive branch.

There are 96 departments in mainland France and 5 overseas departments (Guadeloupe, Reunion, Guyana, Martinique and Mayotte).

The departments are governed by Articles L. 3111-1 *et seq.* of the General Code for Local Authorities (CGCT). Their competences have been modified, the NOTRe law having notably abolished the general competence clause for these territorial authorities. In particular, this law reaffirms the vocation of the department to promote solidarity and territorial cohesion.

5.2.1.3. Regions

The region became a territorial authority, on a par with the communes and departments, by Law 82-213 of 2 March 1982.

[29] Article L. 2113-2 of the General Code for Local Authorities (CGCT).
[30] Article L. 2113-1 of the General Code for Local Authorities (CGCT).
[31] https://www.assemblee-nationale.fr/histoire/images-decentralisation/decentralisation/loi-du-22-decembre-1789-.pdf

The charter regulating the regions was redesigned under the law of 16 January 2015 on the shape of regions, regional and departmental elections and amending the electoral calendar. There are now 13 regions in "metropolitan" France, which includes Corsica, and 5 overseas regions (Guadeloupe, French Guiana, Réunion, Martinique and Mayotte).

Each of the regions is administered by:

- the regional council, its legislative body;
- the president of the regional council, its executive body;
- the regional economic, social and environmental council, an unelected body with advisory powers.

The NOTRe law also abolished the general competence clause for the regions and established the region as the competent level for economic development (Article L. 4221-1 of the General Code for Local Authorities (CGCT)).

5.2.1.4. Special-Status Local Authorities

As of the date of this Base Prospectus, only four special-status local authorities, as defined by Article 72 of the French Constitution, have been set up by lawmakers.

The first is the Corsican Regional Authority (*Collectivité territoriale de Corse* - CTC), established under Law no. 82-214 of 2 March 1982 relating to the special status of the Corsica region, which conferred for the first time ever a status separate from that of the other regions. This law was superseded by Law no. 91-428 of 13 May 1991 and then by Law no. 2002-92 of 22 January 2002 relating to Corsica.

The CTC has a specific institutional framework under which it is largely independent in managing its affairs and has authorities that are normally conferred upon regions. Additionally, the scope of some of the matters over which it has control has been broadened, such as national heritage conservation.

The second special status local authority is the Métropole de Lyon, which was established with deferred effect as of 1 January 2015 under the MAPTAM Law. Although is called a "metropolitan area," the Métropole de Lyon is actually a "special status local authority" as defined under Article 72 of the French Constitution. In addition to the competences of a metropolitan area as listed in Article L. 5217-2 of the CGCT, the Métropole de Lyon now has competence in all the matters that were previously performed by the Rhône department.

In addition, Law no. 2017-257 of 28 February 2017 on the status of Paris and metropolitan planning also created a single special-status authority called "Ville de Paris". This special-status local and regional authority has exercised the powers of the municipality and department of Paris since 1 January 2019.

Finally, since 1 January 2021, the departments of Haut-Rhin and Bas-Rhin have been merged into the European Collectivity of Alsace. This new authority created by Law 2019-816 of 2 August 2019 on the competences of the European Collectivity of Alsace is endowed with specific competences, more extensive than those of a department, adapted to the specific characteristics of Alsace.

Corsica and the Métropole de Lyon are still local authorities in their own right despite having an ad hoc status. Unless otherwise stipulated by law, they are both subject to the same rules and main principles.

5.2.2. Groupings of local and regional authorities

On 1 January 2025, only four municipalities in mainland France were not members of an EPCI with tax raising powers (or of the Métropole de Lyon). These are mono-communal islands that enjoy a special legislative dispensation (Ile d'Yeu, Ile de Bréhat, Ile de Sein and Ile de Ouessant).

Groupings of local and regional authorities can be classified into two categories: tax-raising EPCIs and EPCIs without tax raising powers.

5.2.2.1. Tax-Raising EPCIs

Article L. 5210-1-1A of the CGCT states that the different categories of tax-raising EPCIs are municipality communities (*communautés de communes*), urban communities (*communautés urbaines*), conurbation communities (*communautés d'agglomération*) and metropolitan areas (*métropoles*).

5.2.2.1.1. Urban communities

Created by Law no. 66-1069 of 31 December 1966, urban communities have been the subject of several reforms (in particular Law no. 2010-1563 of 16 December 2010 on the reform of local and regional authorities and the MAPTAM Law). As at 1 January 2026, there were 14 urban communities in France.

The status of urban community is reserved for urban areas grouping together several municipalities located on a continuous strip of land without any enclosures, and with a population of at least 250,000 inhabitants, except in the case of previously created urban communities (Article L. 5215-1 of the French General Code for Local Authorities (CGCT). The lowering of the previous threshold (450,000 inhabitants) is a consequence of the creation of the metropolitan area, which replaces the urban community to govern the largest urban areas.

The urban community exercises the competences transferred to it in place of the member municipalities. Urban communities only have mandatory competences (in particular the creation, development, maintenance and management of industrial, commercial, service, craft, tourist, port or airport activity zones, economic development actions and the local housing programme), unlike municipality communities, which can exercise optional competences.

A community council made up of delegates from the member municipalities administers the urban community.

5.2.2.1.2. Conurbation communities

The conurbation community, provided for in Article L. 5216-1 *et seq*. of the CGCT, was created by Law no. 99-586 of 12 July 1999. It is an EPCI with its own tax status. As at 1 January 2026, there were 230 conurbation communities in France.

The conurbation community brings together several municipalities located on a continuous strip of land without any enclosures. At the date of its incorporation, it must form a group of more than 50,000 inhabitants around one or more core municipalities of at least 15,000 inhabitants, unless an exemption is granted. The conurbation community is created for an indefinite time period and may span one or more departments. The decree issued to create the conurbation community sets forth where its seat shall be located, based on the understanding that the perimeter of the conurbation community cannot be exactly the same as that of a department.

The conurbation community is governed by a community council (legislative body) made up of elected officials from the member municipalities and a chairperson (executive body) elected from among the council members. Councillors from municipalities with more than 1,000 inhabitants have been elected directly since the March 2014 municipal elections following the entry into force of Law no. of 16 December 2010, as amended by Law no. 2013-403 of 17 May 2013. Councillors from small-sized municipalities (fewer than 1,000 inhabitants) are still elected from within the municipal council.

The competences of conurbation communities are derived from Article L.5216-5 of the CGCT. These competences are diverse, and can be mandatory, optional and discretionary. Mandatory competences include economic development actions, local trade policy and support for commercial activities of

community interest, the promotion of tourism, the comprehensive zoning and development plan and sector blueprint or the management of aquatic environments.

5.2.2.1.3. Municipality communities

Framework Law no. 92-125 of 6 February 1992 on the local administration of the French Republic led to the creation of "municipality communities". On 1 January 2026, there were 987 municipality communities in France.

A municipality community combines together several municipalities that are required, from a territorial standpoint, to be on a continuous strip of land without any enclosures. It may be established for either an indefinite period of time or a definite period of time as stipulated in the decree of incorporation.

The municipality community is governed by a council (legislative body) made up of the elected officials from the member municipalities and a chairperson (executive body) elected from among the council members. Councillors from municipalities with more than 1,000 inhabitants have been elected directly since the March 2014 municipal elections following the entry into force of Law no. of 16 December 2010, as amended by French law no. 2013-403 of 17 May 2013. Councillors from small-sized municipalities (fewer than 1,000 inhabitants) are still elected from within the municipal council.

The powers of municipality communities are derived from Article L.5214-16 of the CGCT. These include mandatory, optional and discretionary powers. The main powers include, for example, the collection and treatment of household waste.

5.2.2.1.4. Metropolitan areas (*métropoles*)

*Métropoles "*were created by Law no. 2010-1563 of 16 December 2010 on the reform of local and regional authorities. EPCIs which form a group of more than 400,000 inhabitants on the date of creation, as well as urban communities created by Law no. 66-1069 of 31 December 1966, may become *métropoles*. A *métropole* is therefore created by the transformation of an EPCI with tax raising powers that has already been incorporated. Upon its creation, the *métropole* automatically replaces the EPCIs that are entirely included within its scope.

Law no. 2017-257 of 28 February 2017 on the status of Paris and metropolitan planning extended the possibility of transformation into a *métropole* to all EPCIs with more than 400,000 inhabitants, to those that are centres of an employment basin with more than 400,000 inhabitants and those with more than 250,000 inhabitants or that include within their scope, as at 31 December 2015, the seat of a region, which are centres of an employment basin with more than 500,000 inhabitants.

The *métropole* exercises a certain number of competences within the metropolitan scope, in place of municipalities (e.g. management of services of collective interest such as water and sanitation), the department (e.g. school transportation) and the region. The State can also delegate its competences in the field of housing to the *métropole*. As at 1 January 2026, there were 21 *métropoles* in France.

5.2.2.2. Tax-raising EPCIs (*établissements publics de coopération intercommunale à fiscalité propre*) [32]

5.2.2.2.1. Single-purpose inter-communal unions (*syndicats intercommunaux à vocation unique* - SIVUs)

Created by the Law of 22 March 1890 on the associations of municipalities (*syndicats de communes*), (single- or multiple-purpose) inter-communal syndicates (*syndicats intercommunaux*) is a grouping (Article L. 5212-1 of the CGCT) that represents the least integrated category of EPCI.

The purpose of the SIVUs is limited to a single work or service of inter-communal interest. These associations or syndicates are known as "specialised" unions. They may nevertheless ensure the management of several works or services of inter-communal interest provided that they are complementary.

[32] https://www.collectivites-locales.gouv.fr/files/files/Etudes-et-statistiques/BIS/2026/BIS%20%20interco%202026.pdf

The *syndicat* committee is the legislative body of a SIVU. It is composed of delegates elected by the municipal councils of its member municipalities. It is essentially subject to the rules applicable to municipal councils.

The executive board of the association can comprise the president, one or more vice-presidents and possibly one or more other members of the legislative body. The functioning of the executive board is determined by the rules of procedure adopted by the *syndicat* committee.

The president of the *syndicat* is the executive body of the SIVU. He/she is elected by the *syndicat* committee. The powers of the president of a SIVU are in particular to prepare and execute the deliberations of the *syndicat* committee, to order expenditures, to prescribe the execution of the proceeds of the *syndicat*, and to represent the SIVU before the courts.

On 1 January 2026, there were 4,049 SIVUs in France.

5.2.2.2.2. Multi-purpose *syndicats* (*Syndicat intercommunal à vocation multiple* (SIVOM)):

SIVOMs are similar to SIVUs. Thus the bodies of the SIVOM are identical to those of the SIVU. The objects of the *syndicat* are not limited to one single work or one single object of inter-communal interest, but include several purposes.

When a municipality joins a SIVOM for only part of its powers, the SIVOM is categorised as an à la carte *syndicat*. Article L. 5212-16 of the CGCT sets forth the specific rules applicable in such cases (specific operating rules, voting, the ability to set special representation rules, transfer and re-transfer of powers, determining contributions).

On 1 January 2026, there were 1,233 SIVOMs.

5.2.2.2.3. The Public Territorial institutions (EPT) of the Greater Paris Metropole (MGP)

Established by the MAPTAM Law and enhanced by the NOTRe Law, the Greater Paris Metropolis (MGP) came into being on 1 January 2016.

Following consultation with the relevant local authorities, on the basis of Article 12 of the MAPTAM Law, the area of territory making up the MGP was established in a series of decrees dated 11 December 2015. The MGP is divided into 12 territories (T1 to T12), comprising Paris and 11 territories from 300,000 to 700,000 inhabitants, which together with the MGP make up a system of inter-municipal associations. On 1 January 2026, the 11 EPTs of the Greater Paris Métropole had an average population of 461,000 inhabitants.

It should be noted that the EPTs have a legal status, their own competences and competences shared with the MGP. Furthermore, EPTs could, under the terms of Article L. 1611-3-2 of the CGCT, join the Agence France Locale Group in place of the EPCIs they had replaced.

With regard to their legal regime, the EPTs of the MGP are subject to the provisions applicable to associations of municipalities and described above (Article L. 5219-2 of the CGCT).

5.2.2.3. Syndicats mixtes

S*yndicats mixtes* are public inter-communal cooperation institutions that do not have their own tax status. Conversely, they are not EPCIs if they are also in associations with entities that are not municipalities. A *syndicat mixte* must include at least one local authority or grouping of local authorities and may not become a member of another *syndicat mixte* except in the limited cases provided by law.

Syndicats mixtes can be divided into two categories: open (*syndicats mixtes ouverts*) and closed (*syndicats mixtes fermés*).

On 1 January 2026, there were 2,676 *syndicats mixtes*.

5.2.2.3.1. *Syndicats mixtes ouverts*

Syndicats mixtes ouverts (Articles L. 5721-1 to L. 5722-9 of the CGCT) are associations of local authorities, groupings of local authorities and other public law legal entities (Article L. 5721-2 of the CGCT). It is possible to form associations between inter-regional common utility institutions, regions, inter-departmental ententes or institutions, *départements*, inter-communal cooperation public establishments (all categories), communes, chambers of commerce and industry, chambers of agriculture, trade bodies and other public institutions. They are created by unanimous agreement of their members.

The *syndicats mixtes ouverts* have as their object the realisation of works or services which are useful to each of their legal entity members.

As regards membership of a *syndicat mixte* to another *syndicat mixte*, in a decision of 5 January 2005, the Conseil d'Etat held that a closed *syndicat mixte* (*syndicat mixte fermé*), in other words including only municipalities and EPCIs, could not become a member of an open *syndicat mixte*, insofar as the legislature, by not having established a specific procedure for consulting its members, would appear not to have authorised this.

On 1 January 2026, there were 775 open *syndicats mixtes*[33].

5.2.2.3.2. Closed *syndicats mixtes*

Closed *syndicats mixtes* are governed by Articles L. 5711-1 to L. 5711-4 of the CGCT. In contrast to the open *syndicats mixtes*, closed *syndicats mixtes* involve exclusively municipalities and EPCIs or only EPCIs.

However, the rules governing their operation are identical to those applicable to the inter-municipal *syndicats* (syndicats intercommunaux).

On 1 January 2026, there were 1,895 closed *syndicats mixtes*[34].

5.2.2.3.3. Metropolitan hubs

Metropolitan hubs (*pôles métropolitains*) were created by the Law of 16 December 2010 on the reform of local authorities. These are public institutions set up by agreement between EPCIs with their own tax status and, where appropriate, the Lyon *métropole*, with a view to actions of metropolitan interest, in order to promote a model of planning, sustainable development and territorial solidarity (Article L. 5731-1 of the CGCT). Some new municipalities may also join a metropolitan hub.

At least one of the EPCIs with tax raising powers that are members of a metropolitan hub must have more than 100,000 inhabitants. Under certain conditions, this threshold is lowered to 50,000 inhabitants.

The rules governing the operation of a metropolitan hub are the same as those applicable to *syndicats mixtes*. However, the rule for the distribution of seats among the members of a metropolitan hub is subject to specific provisions (Article L.5731-3 of the CGCT).

On 1 January 2026, there were 23 metropolitan hubs in France.

5.2.2.3.4. Local and rural equilibrium hubs (PETR)

The local and rural equilibrium hub (*pôle d'équilibre territorial et rural)* is an EPCI constituted by agreement between several EPCIs with tax raising powers and, where appropriate, a new municipality, on a continuous strip of land without any enclosures (Article L.5741-1 of the CGCT). These EPCIs are intended to group together territories, whether rural or not, located outside the *métropoles*.

Local and rural equilibrium hubs must draw up a territorial project on behalf of and in partnership with the EPCIs that make them up. This document defines the conditions for economic, ecological, cultural

[33] https://www.banatic.interieur.gouv.fr/

[34] https://www.banatic.interieur.gouv.fr/

and social development within the perimeter of the local and rural equilibrium hub. It specifies the actions in the field of economic development, spatial planning and the promotion of ecological transition which are carried out by the EPCIs or, in their name and on their behalf, by the local and rural equilibrium hub. It must be compatible with the comprehensive zoning and development plans applicable within the perimeter of the hub. It may include provisions on any other matter of territorial interest.

The local and rural equilibrium hub is, unless otherwise stated, governed by the rules applicable to *syndicats mixtes* (Article L.5741-1 of the CGCT).

It comprises a council (*conseil syndical*), its legislative body, on which the EPCIs that make up the *syndicat* are represented, taking into account the population size of the members, it being specified that each EPCI member has at least one seat. It also includes a development council which must be consulted on the main orientations of the *conseil syndical* of the hub and which may be consulted (or give its opinion) on all issues of territorial interest. Finally, it also includes a conference of mayors consisting of mayors of the municipalities located within the perimeter of the local and rural equilibrium hub. This body is mainly consulted during the drafting, modification and revision of the territorial project.

On 1 January 2026, there were 121 PETR in France

5.2.2.4. Local Public Institutions (*établissements publics locaux* - EPLs)

Any public institution, whether national or local, is defined by three criteria: (i) it is a legal person (ii) under public law and (iii) with a special purpose. These three definitional criteria correspond to three main principles governing local public institutions: autonomy, affiliation and speciality.

Firstly, there is a principle of autonomy of the EPL, due to its legal personality. It has legal capacity, its own governing bodies and assets that are separate from those of the public entity to which it is affiliated. It also has its own budget. The bodies of the EPLs and their composition are defined by the specific statutes of each institution. They usually comprise a board of directors acting as the legislative body and a chairman or chief executive acting as the executive body.

Secondly, the principle of affiliation is the counterbalance to the principle of autonomy. It allows the founding community to appoint its elected representatives to the board of directors (organic affiliation) and to exercise a right of control over the most important decisions (functional affiliation). However, the principle of affiliation "*does not in itself imply any subordination*" (CE, opinion, 16 June 1992, *Chambre de commerce et d'industrie*, no. 351654).

Thirdly, the EPL is governed by a principle of speciality. Even if the case law admits the exercise activities complementary or ancillary to the main activity, especially when this activity is of an industrial and commercial nature (CE, opinion, 15 July 1992, EDCE, 1992, p. 435), the public institution can only act in order to achieve the purpose for which it was created (CE, 23 October 1985, *Commune de Blaye-les-Mines*, AJDA, 1986, p. 48).

When used by local authorities for the management of their public services, the public institution formula is very similar to the "*régie personnalisée*" system, where the institution has the status of legal entity, for which it is sometimes mistaken. There are, however, a number of specific public institutions which, at local level, are in charge of public services, without being constituted in the form of *régie personnalisée*.

The creation of both national and local public institutions is subject to a rigid formalism that derives from the legislator's competence under Article 34 of the Constitution to "*create categories of public institutions*". On the other hand, the creation of institutions within a pre-existing category and the determination, within the legislative framework, of the statutory rules of the institution is a matter for regulation. The creation of a new EPL must always be the subject of a specific decision by the local authority.

There is no precise and comprehensive typology when it comes to EPLs. The status of EPL covers a wide range of structures, such as municipal social action centres (Article L. 123-4 of the Social Action and Family Code), school funds (Article L. 133-10 of the Education Code), departmental fire and rescue services (Article L. 1424-9 of the CGCT), local civil service management centres, educational EPLs, public housing offices, public development institutions, local public land institutions and autonomous ports.

5.3. Budgetary principles and regulations applicable to Members

5.3.1. Key budgetary principles

Like the State budget, the presentation of the budget of local authorities must respect the principles of classic budgetary law. These principles are included in the CGCT and the accounting nomenclatures applicable to Members.

These principles are as follows:

- The **principle of annuality** requires that the budget be programmed for a twelve-month period starting on 1 January and ending on 31 December and that each Member adopts its budget for the upcoming year prior to 1 January. They may request a legal extension until 31 March in the year to which the budget applies or until 15 April for the years in which the local legislative assemblies were renewed. Nevertheless, the application of this principle has been relaxed since the entry into force of French decree of 26 August 2005 (on simplifying and managing budgetary and accounting rules applicable to local authorities) due to the growing use of the plurality budgeting process.

- The **principle of equilibrium**: this implies that budget is based on a fair assessment of revenues and expenditures and that total operating and investment revenues equal total operating and investment expenditure.

- The **principle of unity** implies that all revenue and expenditure must be provided for and authorised by a single budget document, the Member's general budget. However, the general (or main) budget is often supplemented by ancillary budgets in which certain specialised local services such as water and sanitation are accounted for. These budgets make it possible to isolate the real cost of a service provided to users.

- The **universality principle** implies that all revenue and expenditure are entered in full without any adjustment against each other in the budget. It consists of two rules: non-compensation, which could lead to the presentation of a single non-itemised balance, and the prohibition of allocating a revenue to a specific expenditure.

- The **principle of expenditure specification** consists in authorising an expenditure to only one specific service or purpose. Therefore, loans are appropriated to a service or a group of services and are divided into chapters grouping together expenditures according to type and purpose. The amount and nature of the planned operations are specified in an appropriate budget nomenclature.

- The **principle of sincerity**, inspired by private accounting law, which implies the completeness, consistency and accuracy of the financial information reported.

In cooperation with the regional accounting office (chambre régionale des comptes - CRC), the Prefect audits the principles under which the local budgets are prepared.

5.3.2. Members' budget system

5.3.2.1. Members' applicable budgetary and accounting instructions

Since 1 January 2024, budgetary and accounting instruction M57 now applies to all Local Authorities. It replaces all previous budgetary and accounting instructions specific to each type of Local Authority: M14 for communes and groupings with specific tax resources, M52 for *département* councils and M71 for regional councils.

The accrual basis of accounting is used with a double-entry method (credit and debit) maintained by an accountant at the Treasury.

This transition to the new nomenclature provides the legal framework within which Local Authorities henceforth monitor their budget and accounts.

Until late 2023, 11 accounting formats were applicable to the local public sector, which made it difficult to understand and manage the applicable budgetary rules. The rollout of budgetary instruction M57 has the advantage of reducing the number of public sector accounts to 4, the other 3 relating to industrial and commercial public services (M4), public health establishments (M21) and public social and medical-social institutions (M22).

The Finance Law of 29 December 2023 for the year 2024 introduces two new budgetary appendices known as "green appendices":

- **Optional creation of a budgetary appendix on "financial commitments contributing to the ecological transition"**
  Starting with the 2024 budget year, local authorities, their groupings, and local public institutions with more than 3,500 inhabitants have the option to include in their budget and administrative accounts (or single financial accounts) an appendix titled "statement of financial commitments contributing to the ecological transition." This appendix reports on the evolution of the amount of their "green debt" for the relevant fiscal year, meaning the portion of debt dedicated to covering investment expenditures that contribute positively, within the budget, to all or part of the environmental objectives set by Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, on establishing a framework to facilitate sustainable investment.
- **Mandatory creation of a budgetary appendix on the "impact of the budget for the ecological transition"**
  Starting with the 2024 fiscal year, the administrative account (or single financial account) of local authorities, their groupings, and local public institutions with more than 3,500 inhabitants must include an appendix presenting investment expenditures that have a positive or negative impact in terms of the ecological transition. This appendix, titled "Impact of the budget for the ecological transition," must therefore include all investment expenditures that meet one or more objectives set by Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, on establishing a framework to facilitate sustainable investment. These are investments that contribute to:
  - The reduction of, or adaptation to, climate change;
  - The transition to a circular economy;
  - The reduction or prevention of pollution;
  - The protection or restoration of biodiversity and ecosystems;
  - The sustainable use or preservation of water resources.

For Local Authorities with fewer than 3,500 inhabitants, a simplified reference framework shall apply. This should allow the relevant Local Authorities to adopt budgetary instruction M57 without any new constraints. This will enable an abbreviated chart of accounts and more flexible budgetary rules to be implemented.

Social housing organisations are subject to the common law accounting rules applicable to private persons.

5.3.2.2. The Members' budgetary framework

Given that they are legal entities, the Members have their own assets and prepare their own budget. To implement their competences, each Member has financial autonomy recognised by law.

This financial autonomy is reflected in the annual vote of the primary budgets (**BP**) which forecast and authorise revenue and expenditure. The preparation of the budget is the responsibility of the executive body of the Member concerned. All expenditure must be reported truthfully and relate only to the Member's areas of competence. The budget is then voted by the Member's assembly.

The recognised transactions are then recorded in the administrative accounts (AA) voted on by the Members.

It may be necessary over the course of a year to prepare supplementary or amending budgets to adjust the revenues and expenditures to reflect the actual inflows and outflows.

For all Local Authorities, the budget is divided into two sections–operating and investment:

(A) **The operating section includes:**

- all expenses necessary for the functioning of the Local Authority (general expenses, personnel, current management, depreciation, provisions, elected representatives' allowances, contributions to the expenses of external bodies, financial expenses [including interest on debt], exchange rate losses, etc.);
- all revenue that the Local Authority may receive from transfers of expenditures, provision of services, government contributions, taxes and any reversal of depreciation and provisions that the Local Authority is able to make.

(B) **The investment section mainly comprises:**

- in expenditure: essentially operations that result in a modification of the consistency or assets of the Local Authority (purchase of durable equipment, construction or fitting out of buildings, infrastructure works, acquisition of shares in companies, etc.) as well as the capital repayment of loans and various expenses that have the effect of reducing the equity capital (write-backs or reversals, capital losses, etc.);
- in revenue: loans, State grants and subsidies, certain tax revenues, allocations from the Value Added Tax Compensation Fund, proceeds from the increase in the rate of road traffic fines, depreciation of fixed assets (for municipalities and EPCIs with a population of 3,500 inhabitants or more), the amount of participation instituted in development sectors, proceeds from the sale of fixed assets, the available result of the operating section, proceeds from the sale of financial fixed assets, gifts and bequests in kind and in cash.

5.3.2.3. Local finance golden rules

The CGCT imposes a financial restriction on local authorities that prohibits them from borrowing to reimburse the principal on their debt.

Article L. 1612-4 of the CGCT sets forth such restriction as follows: "*The budget of the local authority is in true balance when the operating and investment sections voted are in balance, revenue and expenditure having been assessed truthfully, and when the drawdown of revenue in the operating section for the benefit of the investment section, added to the revenue specific to this section, and excluding the revenue of loans and any provisions to amortisation and provisions accounts, provides adequate resources to cover the reimbursement of principal of loan payments to fall due during the year.*"

Moreover, borrowings can only be made to finance capital expenditure and not for operating expenses.

5.4. Budget control procedures for Members

French law. of 2 March 1982 abolished all ex ante control over the acts of local authorities. The budgets voted by each Local Authority are now enforceable as a matter of law upon promulgation and transmission to the Prefect, who is the State representative in the department.

The budgetary acts of the local authorities fall under two ex post facto controls:

– as administrative acts, they are subject to the common law control of legality;

– as budgetary acts, they are subject to the special budgetary, judicial and management control procedures conducted by the CRCs.

– The legislative and regulatory framework in force for Members is defined in particular by:

– the CGCT;

– French decree of 7 November 2012 on budgetary management and public accounting;

– finance laws (*loi de finances*);

– applicable budgetary and accounting instructions;

– codifying instruction no. 11-022-M0 of 16 December 2011 on the collection of revenue by local authorities and local public institutions.

5.4.1. Control by the public accountant

The public accountant, an agent of the Public Finance Department, has a monopoly on the holding and use of public funds. He/she is therefore the only person authorised to collect revenue and pay expenditure. The public accountant performs the financial transactions and keeps a management account to record all of the Local Authority's expenditure and revenue.

He or she inspects that the expenses are recorded in the appropriate budgetary chapter and that the revenues come from a legal source. He or she cannot make any inspection as to appropriateness. Indeed, the public accountant cannot assess the relevance of the choices with respect to policy made by the local authorities since they govern themselves freely. Otherwise, the instructing party can "place a demand" on the accountant, i.e., force him/her to pay.

The accountant rejects any payment authorised by the instructing party whenever he or she detects an illegality.

Public accountants are held personally and financially liable for the payments they make. In the event of a discrepancy, the Minister of Finances can issue a reversal order that forces the accountant to pay out of his/her own pocket the corresponding sum immediately.

The EPCIs are subject to the provisions of Chapter VII of the single title in Book VI of the first part of the CGCT on the public accountant that are applicable to groupings of local and regional authorities. The specific texts for each category of local public institution may also refer to these provisions.

5.4.2. Prefect's control of legality

Article L.2131-6 of the CGCT provides that the Prefect defers any acts he/she deems contrary to the law to the administrative court within two months following their transmission to the Prefecture. The control of legality focuses on the conditions under which the budgetary documents and their appendices are prepared, adopted and presented.

As a rule, the deliberations of the Members' decision-making bodies must be submitted to the Prefect so he can perform the control of legality. This applies, in particular to deliberations in which the Guarantee Commitment of Members are authorised and will therefore, in principle, will be submitted to the control of legality.

The provisions of the CGCT on the control of legality and enforceability of the acts of the municipal, departmental and regional authorities are also applicable to EPCIs.

5.4.3. Control of the Regional Accounting Offices

The French law of 2 March 1982 established the Regional Accounting Offices (abbreviated "CRC") comprised of permanent magistrates, thereby counter-balancing the elimination of the government's a priori control over the acts of the local authorities. The powers of these courts are defined by law, but are also reflected in Articles L. 211-1 et seq. of the French Financial Jurisdiction Code (Code des juridictions financières).

The power of a CRC extends to all the local authorities within its geographical jurisdiction, whether they are municipalities, departments or regions, but also to their public institutions (including EPCIs and mixed syndicats).

In this context, the CRC's power of control is threefold. The first one is a budgetary control, which replaced the control exercised by the Prefect prior to the French Law of 2 March 1982. The second control is legal in nature and ensures that the transactions undertaken by the public accountant are compliant with applicable rules. The third control relates to management to verify ultimately that revenue received and expenditure incurred is made in a lawful and regular manner.

5.4.3.1. Budgetary control

The control of the CRCs concerns the primary budget, the amending decisions and the administrative account.

The CRC takes action in four cases when:

- the preliminary budget is adopted post-deadline (after 15 April, except for years when the legislative assemblies are renewed and the deadline is extended to 30 April of that year). Beyond a two-week submission period, the Prefect must notify the CRC, which makes its recommendations within a month (Article L. 1612-2 of the CGCT);

- the voted budget is not actually balanced (revenues do not cover expenditures). This triggers three consecutive periods: (i) thirty days month for the Prefect to notify the CRC, (ii) another thirty-day period for the CRC to makes its recommendations, and (iii) one month for the Local Authority's decision-making body to bring itself in compliance and correct the budget (Article L. 1612-5 of the CGCT);

- If a compulsory expenditure is not recognised in the budget, or the recorded sum is insufficient, the same time periods apply, but the CRC, who may also be contacted by the public accountant, sends a formal notice to the Local Authority in question (Article L. 1612-15 of the CGCT);

- the budget is running a deficit (i.e., the sum of results of the two sections of the administrative account is negative) of more than 5% or 10% of the revenues of the operating section. Depending on the size of the Local Authority, the CRC puts forth measures for rectifying this within one month as from the date it was notified. The CRC also validates the primary budget for the following year (Article L. 1612-14 of the CGCT).

5.4.3.2. Jurisdictional control

The CRC assesses all the accounts of public accountants of local authorities and their public institutions as well as the accounts of persons it has declared to be *de facto* accountants (Article L.

211-1 of the Financial Jurisdiction Code). This judicial control is the original mission of the CRC. It is a control to ensure that the transactions made by the public accountants are lawful and regular. It not only consists in checking that the accounts are accurate, but verifying that the accountant has indeed exercised all the controls he/she is required to make. However, conducting any control as to appropriateness is prohibited under French law of 21 December 2001 on the CRC and the Public Finance Courts. The CRC determines and recognises accounts as accurate according to decisions as to whether irregularities have been found.

5.4.3.3. Management control

The CRCs is also mandated with controlling the management of local authorities. They verify, on the basis of documents and on-site, the regularity of the revenue and expenditure described in the accounts of the bodies under their competence. This control is to examine as to whether the management of these authorities is sound and in compliance. It concerns not only the regularity of the management acts and the economy of the means used, but also the evaluation of the results achieved in relation to the objectives set by the legislative assembly or by the legislative body. The appropriateness of these objectives cannot be commented on; the CRCs seek primarily to assist and encourage local authorities to comply with the law, in order to prevent any sanctions.

Three major issues are covered in the letters of observation:

- balanced use of public finances;
- contained management of public services;
- compliance with public service key principles.

This mandate does not, however, sufficiently cover the requirements as the CRCs send their final letters of observations two to five years after the financial year close. A copy of these letters may be sent to any citizen who requests one.

The "improvement and decentralising" law of 5 January 1988 required a preliminary meeting at the time of the check to be scheduled not only between the reporting magistrate and the head of the Local Authority, but also with any persons responsible during the time period under audit. These provisions endeavour to improve the external control (uniform practices over the entire territory and confidentiality).

The CRCs make it a priority to check the efficiency of public policies. While it is not up to them to judge the municipality's decisions themselves, they make sure that the municipalities have adopted a structured organisation for their services and defined clear objectives, which are formally evaluated as well as tracked by performance indicators.

TAXATION

The following is a summary of certain considerations concerning withholding taxes applicable to payments in respect of Notes.

This summary is based on tax law in force as at the date of this Base Prospectus and is subject to modification (potentially with retroactive effect). Such summary is provided by way of general information and is not a comprehensive analysis of all tax considerations that may be relevant to Noteholders. Noteholders' attention is drawn to the fact that the tax legislation of the State of the Noteholder and that of the jurisdiction in which the Issuer was incorporated (i.e. France) may have an impact on the income derived from the Notes. It is therefore recommended that prospective investors should consult with their own tax adviser to examine their individual circumstances in detail.

Withholding tax on payments made outside France

The following is a summary of certain withholding tax considerations that may be relevant to Noteholders who do not also hold shares of the Issuer.

The payments of interest and other similar income made by the Issuer with respect to Notes are not subject to the withholding tax set out under Article 125 A III of the French General Tax Code, unless such payments are made outside France in a non-cooperative State or territory within the meaning of Article 238-0 A of the General Tax Code (a **Non-Cooperative State or Territory**) other than those mentioned in point 2 of 2 bis of this Article 238-0 A of General Tax Code. If such payments under the Notes are made outside France in a Non-Cooperative State or Territory other than those mentioned in 2o of 2 bis of such article 238-0 A of the Code général des impôts, a 75% 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 Code général des impôts. The list of Non-Cooperative States or Territories is published by ministerial order, which may be updated at any time and, in principle, at least once per year. The latest list of Non-Cooperative States or Territories has been published on 26 April 2026 and includes eleven Non-Cooperative States or Territories[35].

Furthermore, according to Article 238 A of the General Tax Code, interest and other similar income on such Notes will not be deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or Territory or paid to an account held with a financial institution established in such a Non-Cooperative State or Territory (the **Deductibility Exclusion**). Under certain conditions, such non-deductible interest and other similar revenues may be requalified as deemed distributed income pursuant to Articles 109 et seq. of the French General Tax Code, in which case such non-deductible interest and other similar revenues may be subject to the withholding tax provided for in Article 119 *bis* 2 of the French General Tax Code, (i) at a rate of 12.8% for payments to beneficial owners who are individuals who are not resident in France for tax purposes, (ii) at the normal corporate tax rate specified in the second paragraph of Article 219 I of the French General Tax Code (i.e. 25%) for payments made to beneficial owners who are legal entities that do not have their registered office in France or (iii) at a rate of 75% for payments made outside France in a Non-Cooperative State or Territory other than those mentioned in point 2 of 2 *bis* of this Article 238-0 A of the French General Tax Code (subject to certain exceptions and more favourable provisions of an applicable tax treaty).

[35] The list includes the following eleven States and territories: Anguilla, Turks and Caicos Islands, Vanuatu, Antigua and Barbuda, Guam, U.S. Virgin Islands, Palau, Panama, Russia, American Samoa, and Vietnam. Non-Cooperative States or Territories not falling within the scope of Article 125A are: Guam, US Virgin Islands, Palau, Panama, Russia, American Samoa, and Vietnam.

Notwithstanding the foregoing, neither the 75% withholding tax set out under Article 125 A III of the French Code General Tax Code nor the Deductibility Exclusion shall apply in respect of an issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other similar income to be made in a Non-Cooperative State or Territory (the **Exception**). Pursuant to the Bulletin Officiel des Finances Publiques – Impôts BOI-INT-DG-20-50-20140211, no. 150 dated 14 June 2022 and BOI-INT-DG-20-50-20, no. 290 dated 10 December 2025, 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 in the context of an offer to the public of financial securities as defined in the Prospectus Regulation, other than offers to the public as specified in article 1 paragraph 4 of the Prospectus Regulation, or an equivalent offer made in a State other than a Non-Cooperative State or Territory. An equivalent offer means an offer for which it is obligatory to register or submit an information document to a foreign financial market authority;

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system, provided that such market or system is not located in a Non-Cooperative State or Territory, and the operation of such market is carried out by a market operator or an investment service provider, or by such other similar foreign entity, provided further that such market operator, investment service provider or entity is not located in a Non-Cooperative State or Territory; or

(iii) admitted, at the time of their issue, to the clearing operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Code monétaire et financier, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State or Territory.

Withholding tax on payments made to individuals who are fiscally domiciled in France

Where the paying agent (établissement payeur) is established in France, pursuant to Article 125 A I of the French Code général des impôts, subject to certain limited exceptions, interest and similar revenues received by individuals who are fiscally domiciled (domiciliés fiscalement) in France are subject to a 12.8% withholding tax, which is applied against their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding tax at an aggregate rate of 18.6% on such interest and similar revenues received by individuals who are fiscally domiciled (domiciliés fiscalement) in France, subject to certain exceptions.

SUBSCRIPTION AND SALE

Subject to the terms and conditions contained in a French-language dealer agreement which shall be signed no later than 22 July 2026 entered into between the Issuer, the Permanent Dealers and the Arrangers (the **Dealer Agreement**), the Notes will be offered by the Issuer to the Permanent Dealers. However, the Issuer reserves the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between themselves in respect of Notes subscribed by such Dealer. If appropriate, the commissions in respect of an issue of Notes on a syndicated basis will be specified in the relevant Final Terms. The Issuer has agreed to reimburse the Arrangers for the expenses incurred by them in connection with the Programme, and the Dealers for certain expenses in relation to their role under this Programme.

The Issuer has agreed to indemnify the Dealers against certain types of liability they may incur in connection with the offer and sale of Notes. The Dealer Agreement entitles the Dealers, under certain circumstances, to terminate any agreement they may enter into for the subscription of Notes prior to payment for such Notes being made to the Issuer.

1. GENERAL

These selling restrictions may be amended by mutual agreement between the Issuer and the Dealers in particular following any change to any applicable law, regulation or directive. Any such amendments shall be set out in a supplement to this Base Prospectus.

Each Dealer has undertaken to comply, to the fullest extent of the information in its possession, with all relevant laws, regulations and directives in each country in which it buys, offers, sells or delivers Notes or in which it holds or distributes the Base Prospectus, any other offer document or any Final Terms and neither the Issuer nor any of the Dealers shall incur any liability in respect thereof.

2. EUROPEAN ECONOMIC AREA

Each Dealer has represented and warranted, and each new Dealer must represent and warrant, that it has not made and will not make an offer of Notes to the public in a member state of the European Economic Area (**EEA**). Each Dealer may however make an offer of such Notes to the public in that member state of the EEA:

a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that member state of the EEA (a **Non-exempt Offer**), following the date of publication of a Base Prospectus in relation to such Notes which has been approved by the competent authority in that member state of the EEA or the United Kingdom or, where appropriate, approved in another member state of the EEA and notified to the competent authority in that member state of the EEA, provided that any such Base Prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation in the period beginning and ending on the dates specified in such Base Prospectus or Final Terms, as applicable;

b) at any time to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers appointed by the Issuer for any such offer; or

d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or the Dealer(s) to publish a Base Prospectus pursuant to Article 3 of the Prospectus Regulation or any supplement to a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, (a) the expression **offer of Notes to the public** in any member state of the EEA means the communication addressed in any form and by any means whatsoever to persons and providing sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide or not to purchase or subscribe for the Notes and the expression **Prospectus Regulation** means Regulation (EU) 2017/1129 of the European Council and Parliament dated 14 June 2017, as amended.

3. UNITED STATES OF AMERICA

The Notes have not and will not be registered pursuant to the United States Securities Act of 1933 as amended (the **U.S. Securities Act**) or pursuant to any regulatory authority related to financial securities of any State or other jurisdiction of the United States of America. Subject to certain exceptions, Notes may not be offered or sold in the United States of America or, in the case of Materialised Notes, offered, sold or delivered in the territory of the United States of America or to, or for the benefit or on behalf of, U.S. Persons as defined in the U.S. Internal Revenue Code of 1986. Each Dealer has undertaken and each new Dealer will be required to undertake, not to offer or sell any Note, or in the case of Materialised Notes, to deliver such Notes in the territory of the United States of America except in compliance with the Dealer Agreement.

The Notes shall be offered and sold outside the United States of America in compliance with Regulation S.

Materialised Notes with a maturity of greater than one year are subject to U.S. tax rules and may not be offered, sold or delivered in the territory of the United States of America or any of its possessions or to U.S. Persons, with the exception of certain transactions which are permitted under U.S. tax laws. Terms used in this paragraph shall have the meaning given to them in the U.S. Internal Revenue Code of 1986 and regulations made thereunder.

In addition, the offering or sale by any dealer (whether or not participating in the offering) of any identifiable tranche of Notes within the United States of America within the first forty (40) days after the commencement of the offering, may violate the registration requirements under the U.S. Securities Act.

4. UNITED KINGDOM

Regulatory restrictions

Each Dealer has represented and agreed and each new Dealer will be required to represent and agree that:

a) in relation to any Notes having a maturity of less than one year, (i) it is a person whose ordinary activities involve acquiring, holding, managing or selling financial products (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes to persons in the United Kingdom, other than to persons whose ordinary activities involve acquiring, holding, managing or selling financial products (as principal or agent) for the

purposes of their business or to persons who may reasonably be expected to acquire, hold, manage or sell financial products (as principal or agent) for the purposes of their business, where the issue of the Notes would otherwise constitute a violation of Section 19 of the Financial Services and Markets Act 2000 (the **FSMA**);

b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not and will not apply to the Issuer; and

c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Ban on sales to retail investors in the United Kingdom

Each Dealer has represented and warranted, and each new Dealer will be required to represent and warrant, that it has not made and will not make a public offer of Notes in the United Kingdom. Each Dealer may, however, make an offer of Notes to the public in the United Kingdom:

a) at any time where the offer is conditional upon the Notes being admitted to trading on the main market of the London Stock Exchange (pursuant to the exemption set forth in paragraph 6(a) of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (**POATRs**));

b) at any time to a legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 of the POATRs;

c) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 of the POATRs) in the United Kindom, subject to obtaining the prior consent of the relevant Dealer or Dealers appointed by the Issuer for any such offer; or

d) at any time in any other circumstances falling within the scope of Part 1 of Schedule 1 of the POATRs;

For the purposes of this provision, the term "**offer of Notes to the public**" means a communication in any form and by any means to persons providing sufficient information about the terms of the offer and the Notes to be offered, so as to enable an investor to decide to purchase or subscribe for such Notes.

5. ITALY

The offering of Notes has not been registered with the Commissione Nazionale per le Società e la Borsa (the **CONSOB**) in accordance with Italian securities legislation and, accordingly, the Notes may not be and shall not be offered, sold or delivered in the Republic of Italy, and no copy of the Base Prospectus, the relevant Final Terms or any other document relating to the Notes may be, nor shall be, distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*), as defined in Article 2 of the Prospectus Regulation and any applicable provision of the legislative decree No. 58 of 24 February 1998, as amended from time to time (the **Financial Services Law**) and in the CONSOB regulations; or

(ii) in any circumstances which benefit from an exemption to the rules applicable to public offerings in accordance with Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 dated 14 May 1999, as amended from time to time, and applicable Italian legislation.

In all cases, any offer, sale or delivery of Notes or any distribution of the Base Prospectus (including the relevant Final Terms) or any other document relating to the Notes in the Republic of Italy in accordance with paragraphs (i), (ii) and (iii) above must :

(a) be made by an investment firm, bank or financial intermediary authorised to conduct such activities in the Republic of Italy in accordance with the Financial Services Law, Consob regulation No. 20307 of 15 February 2018, as amended from time to time and Legislative Decree No. 385 of 1st September 1993 as amended from time to time (the **Banking Law**); and

(b) comply with all other laws, regulations or requirements imposed by CONSOB, the Bank of Italy (including all disclosure obligations, as applicable, in accordance with article 129 of the Banking Law and the guidelines of the Bank of Italy, as amended from time to time) or any other Italian authority.

6. FRANCE

Each of the Dealers and the Issuer has represented and agreed, and each new Dealer shall represent and agree that it undertakes to comply with applicable French laws and regulations relating to the offering, placement or sale of the Notes and the distribution in France of the Base Prospectus or any other material relating to the Notes.

7. SWITZERLAND

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that Notes issued in Switzerland will be sold or offered in accordance with usual practices and regulations in Switzerland. In relation to Notes issued in Switzerland which will be listed on the SIX Swiss Exchange, the Dealers (if necessary, together with a representative of the stock exchange recognized by SIX Swiss Exchange) shall prepare and provide a Base Prospectus for potential investors in accordance the listing rules of the SIX Swiss Exchange and will provide any additional information that will be required by applicable Swiss law.

8. JAPAN

The Notes have not been and will not be registered pursuant to the law n°25 of 1948, as amended (the Financial Instruments and Exchange Act of Japan). Accordingly, each of the Dealers has represented and warranted, and each Dealer subsequently appointed under the Programme shall represent and warrant that it has not, directly or indirectly, offered or sold, and that it will not offer or sell, directly or indirectly, Notes in Japan or to, or on behalf of, any Japanese resident (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to other persons with a view to offering or selling, directly or indirectly, in Japan or to, or on behalf of, any Japanese resident, except pursuant to an exemption under, and in compliance with, the Financial Instruments and Exchange Act of Japan or any other applicable law, regulation or ministerial guidelines of Japan.

9. AUSTRALIA

The Base Prospectus has not been, and no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the **Corporations Act**)) in relation to the Programme or any Notes has been, or will be, lodged with the *Australian Securities and Investments Commission* (**ASIC**).

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

(a) has not made and/or invited, and will not make and/or invite, directly or indirectly, any offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, the Base Prospectus or any other offering material or advertisement relating to any Notes in Australia,

Unless:

(i) the aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in an alternate currency, in either case, disregarding moneys lent by the offeror or its associates) and the offer or invitation does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;

(ii) the offer or invitation does not constitute an offer to a "*retail client*" as defined for the purposes of section 761G of the Corporations Act;

(iii) such action complies with all laws and directives applicable in Australia; and

(iv) such action does not require any document to be lodged with ASIC.

In addition, each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with the directive issued by the Australian Prudential Regulation Authority on 21 March 2018, as contained in Banking exemption No. 1 of 2018, where the Dealer offers Notes for sale in connection with an issue. This directive requires all offers and transfers of Notes to be in parcels of not less than A$500,000 in aggregate principal amount. Banking exemption No. 1 does not apply to transfers which occur outside Australia.

10. CANADA

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Prospectus (including any supplement or amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the

securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

FORM OF FINAL TERMS

[36][**MiFID II Product Governance/Target Market: eligible counterparties and professional clients only** – Solely for the purposes of the product approval process of [the/each] manufacturer, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Take into consideration any negative target market*][37]. Any person who subsequently offers, sells or recommends the Notes (a **distributor**) should take into consideration [the/each] 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 (and either adopting or refining [the/each] manufacturer['s/s'] target market assessment) and determining the appropriate distribution channels.]

OR

[38]**MiFID II Product Governance/Target Market**: **Retail investors, eligible counterparties and professional clients only** - Solely for the purposes of the product approval process of [the/each] manufacturer, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is retail investors, eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II)**; **EITHER** [39] **[**and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR**[40] (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate; and (iii) the channels for distribution of the Notes to the following retail investors are appropriate – investment advice [,/ and] portfolio management [,/ and] [non-advised sales][and pure execution services][, subject to the distributor's suitability or appropriateness assessment under MiFID II, as applicable]] [*Take into consideration any negative target market*][41]. Any person who subsequently offers, sells or recommends the Notes (a **distributor**) should take into consideration [the/each] 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 (and either adopting or refining [the/each] manufacturer['s/s'] target market assessment) and determining the appropriate distribution channels [, subject to the distributor's suitability or appropriateness assessment under MiFID II, as applicable][42].]

[**UK MiFIR Product Governance/Target Market: eligible counterparties and professional clients only** – Solely for the purposes of the product approval process of [the/each] manufacturer, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes only includes eligible counterparties, as defined in the *FCA Handbook Conduct of Business Sourcebook* (**COBS**)

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36 Paragraph to be included above the Final Terms ICMA 1 target market approach "all bands to all professionals" is adopted.

37 ICMA 1 and ICMA 2 provide that a negative target market is unlikely. Note that a programme that only provides for plain vanilla issues is not likely to require negative target market language. If a negative target market is necessary, the following wording may be included: "The assessment of the target market indicates that the Notes are incompatible with the requirements, characteristics and objectives of clients who [are totally risk averse / have no tolerance for risk or who seek repayment in full on demand of their investment.]" "

38 Paragraph to be included above the Final Terms ICMA 2 approach is adopted.

39 To be included for notes that are not considered to be complex by ESMA.

40 To be included for certain notes considered as complex by ESMA. It may be necessary to update this list, for example if advised sales are necessary. If sales have been advised, it will be necessary to verify suitability. Furthermore, if the Notes are "complex" products, pure execution services are not permitted for retail investors, without it being necessary to verify appropriateness as required under Article 25(3) of MiFID II.

41 ICMA 1 and ICMA 2 provide that a negative target market is unlikely. Note that a programme that only provides for plain vanilla issues is not likely to require negative target market language. If a negative target market is necessary, the following wording may be included: "The assessment of the target market indicates that the Notes are incompatible with the requirements, characteristics and objectives of clients who [are totally risk averse / have no tolerance for risk or who seek repayment in full on demand of their investment.]" "

42 If the Notes are "complex" products, pure execution services are not permitted for retail investors, without it being necessary to verify appropriateness as required under Article 25(3) of MiFID II. If sales have been advised, it will be necessary to verify suitability.

of the United Kingdom, and professional clients, as defined by the (EU) Regulation 600/2014, which forms part of the corresponding law in the United Kingdom in application of the *European Union (Withdrawal) Act 2018*) (**UK MiFIR**); and (ii) all distribution channels for the Notes to eligible counterparties or professional clients are appropriate. [*Take into consideration any negative target market*]. Any person who subsequently offers, sells or recommends the Notes (a **distributor**) should take into consideration [the/each] manufacturer['s/s'] target market assessment. However, a distributor subject to the *FCA Handbook Product Intervention and Product Governance Sourcebook* of the United Kingdom (the **UK MiFIR Product Governance Rules**) is required to conduct its own target market assessment of the Notes (by adopting or refining the target market assessment conducted by the manufacturer) and to determine the appropriate distribution channels.]

OR

[43]**UK MiFIR Product Governance/Target Market: Retail investors, eligible counterparties and professional clients only** - Solely for the purposes of the product approval process of [the/each] manufacturer, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes only includes retail investors, as defined in point 8 of Article 2 of (EU) Regulation 2017/565, which forms part of the law corresponding to the United Kingdom in application of the European Union (Withdrawal) Act 2018 **(EUWA)**, the eligible counterparties as defined in the *FCA Handbook Conduct of Business Sourcebook* (**COBS**), and professional clients as defined by the (EU) Regulation 600/2014, which forms part of the corresponding law in the United Kingdom in application of the EUWA (**UK MiFIR**); ***EITHER*** [sic] [and (ii) all distribution channels for the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] OR [(ii) all distribution channels for the Notes to eligible counterparties or professional clients are appropriate; and (iii) the distribution channels for the Notes to the following retail investors are appropriate – investment advice[,/ and] portfolio management[,/ and] [non-advised sales][and pure execution services][, subject to the distributor's suitability or appropriateness assessment under COBS, as applicable]] [*Take any negative target market into consideration]*. Any person who subsequently offers, sells or recommends the Notes (a **distributor**) should take into consideration [the/each] manufacturer['s/s'] target market assessment. However, a distributor that is subject to the United Kingdom's *FCA Handbook Product Intervention and Product Governance Sourcebook* (the **UK MiFIR Product Governance Rules**) is required to conduct its own target market assessment of the Notes (by adopting or refining the target market assessment conducted by the manufacturer) and to determine the appropriate distribution channels[, subject to the distributor's suitability or appropriateness assessment under COBS, as applicable].]]

[*The Base Prospectus dated 22 July 2026 is valid until 22 July 2027. The next following base prospectus shall be available on the websites of (a) the AMF (www.amf-france.org) and (b) the Issuer (https://www.agence-france-locale.fr/) and copies may be obtained at the registered office of the Issuer and the specified offices of the Paying Agents.*][44]

Set out below is the Form of Final Terms which will be completed for each Tranche of Notes:

43 Please note that any non-exempt offer in the United Kingdom requires the United Kingdom's Financial Conduct Authority (FCA) approval. Given that this Base Prospectus has not been approved by the FCA, the approval of this document or of a drawdown approved by the FCA will be needed before any sale to retail investors in the United Kingdom on a non-exempt basis.

44 To be inserted in the case of a non-exempt public offer where the offer period closes after the expiry date of this Base Prospectus.

Final Terms dated [●]

[insert logo]

AGENCE FRANCE LOCALE

Legal Entity Identifier (LEI): 969500NMI4UP00IO8G47

€20,000,000,000

Euro Medium Term Note Programme

Benefiting from the first demand Guarantees of the Agence France Locale – Société Territoriale and the Members of the Agence France Locale group.

SERIES No: [●]

TRANCHE No: [●]

[Brief description and aggregate nominal amount of Notes]

Issue Price: [●]%

[Name(s) of Dealer(s)]

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

(i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a Base Prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a Base Prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer; or

(ii) in France as mentioned in Paragraph 8 of Part B below, provided such person is one of the persons mentioned in Paragraph 8 of Part B below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer, nor any Guarantor, nor [the/any] Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]

The expression **Prospectus Regulation** means Regulation (EU) 2017/1129, as amended.][45]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area will be made pursuant to an exemption, under the Prospectus Regulation, from the requirement to publish a Base Prospectus for offers of the Notes. Accordingly, any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or the/any Dealer to publish a Base Prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a Base Prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer, nor any Guarantor, nor [the/any] Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]

[45] Insert if a non-exempt offer of Notes is planned.

The expression **Prospectus Regulation** means Regulation (EU) 2017/1129, as amended.][46]

PART A

CONTRACTUAL TERMS

This document constitutes the Final Terms in respect of the issue of notes described below (the **Notes**) and contains the Final Terms of the Notes. These Final Terms complete the base prospectus dated 22 July 2026 (approved by the Autorité des Marchés Financiers (AMF) under no. 26-288 on 22 July 2026) relating to the €20,000,000,000 Note Programme of the Issuer [and the supplement[s] to the base prospectus dated [●] (approved by the AMF under no. [●] on [●])], which [together] constitute[s] a base prospectus (the **Base Prospectus**) for the purposes of Regulation (EU) 2017/1129 of the European Parliament and Council dated 14 June 2017, as amended (the **Prospectus Regulation**). The Final Terms shall be read in conjunction with the Base Prospectus [as supplemented] and constitute together a prospectus (the **Prospectus**) for the purposes of the Prospectus Regulation. Terms used below shall have the meaning given to them in the Base Prospectus. The Notes shall be issued in accordance with the provisions of these Final Terms together with the Base Prospectus. [A summary of the issue of the Notes is annexed to these Final Terms.][47] These Final Terms and the Base Prospectus are (a) published on the website(s) (i) of the AMF (www.amf-france.org) and (ii) the Issuer (https://www.agence-france-locale.fr/), [and] (b) available during normal business hours, at the registered office of the Issuer and the specified office of the Paying Agent(s) from which a copy can be obtained. [The Base Prospectus is also available [on/at] [●].][48]

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 have the meaning given to them in the [2017/2018/2019/2020/2021/2022/2023/2024/2025] Terms and Conditions incorporated by reference in the base prospectus dated 22 July 2026. This document constitutes the Final Terms of the Notes described below (the **Notes**) for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the **Prospectus Regulation**) and must be read in conjunction with the base prospectus dated 22 July 2026 (approved by the Autorité des Marchés Financiers (**AMF**) under no. 26-288 on 22 July 2026) related to the €20,000,000,000 Euro Medium Note Programme of the Issuer [and the supplement[s] to the base prospectus dated [●] (approved by the AMF under no. [●] dated [●])], which [together] constitute[s] a base prospectus for the purpose of the Prospectus Regulation (the **Base Prospectus**). [A summary of the issue of the Notes is annexed to these Final Terms.][49] These Final Terms and the Base Prospectus are (a) published on the website(s) (i) of the AMF (www.amf-france.org) and (ii) the Issuer (https://www.agence-france-locale.fr/), [and] (b) available during normal business hours, at the registered office of the Issuer and the specified office of the Paying Agent(s) from which a copy can be obtained. [In addition, the Base Prospectus [is][are] available [on/at][●].][50]

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

1.	**Issuer:**	Agence France Locale

[46] Insert if a non-exempt offer of Notes is planned
[47] Include only for issue of Notes with a denomination of less than €100,000.
[48] If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.
[49] Include only for issue of Notes with a denomination of less than €100,000.
[50] If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.

2.	**Guarantors**		Agence France Locale – Société Territoriale *[Specify the Individual Ceiling of the ST Guarantee]* *[Identify Members of Agence France Locale group having subscribed for a loan with an initial term of more than 364 days at the date of issuance of the Final Terms with reference to the website]*
3.	(a)	**Series:**	[●]
	(b)	**Tranche:**	[●] *(If the Tranche is fungible with an existing Tranche, specify the characteristics of the Tranche, including the date on which the Notes become fungible).*
4.	**Specified Currency(ies):**		[●][51]
5.	**Aggregate Nominal Amount:**		[●] *[Insert the amount or in the case of a non-exempt offer to the public, the date of publication of such amount.]*
	(a)	**Series:**	[●]
	(b)	**Tranche:**	[●]
6.	**Issue Price:**		[●]% of the Aggregate Nominal Amount of the Tranche [plus accrued interest from *[insert date]* (in the case of fungible issues or first broken coupon, if relevant).]
7.	**Specified Denomination(s):**		[●][*(one Denomination only for Dematerialised Notes)*])
8.	(a)	**Issue Date:**	[●]
	(b)	**(b) Interest Period Commencement Date:**	[●] *[Specify/Issue Date*/Not Applicable]
9.	**Maturity Date:**		*[specify the date or (for Floating Rate Notes) the Interest Payment Date in the relevant month and year or the nearest date to the Interest Payment Date in the relevant month and year]*
10.	**Interest Basis:**		[Fixed Rate of [●]% [[EURIBOR, €STR, SONIA, SOFR, TONA, SARON or CMS Rate] +/-[●]%

[51] In accordance with article 1343-3 of the Civil Code, all payments in respect of domestic issues must be made in euros.

			Floating Rate]] [Zero Coupon Note] *(other details specify below)*
11.	**Redemption basis:**		[Subject to any purchase and cancellation or Early Redemption, the Notes shall be redeemed at Maturity Date at [100]% of their Aggregate Nominal Amount] [Instalments]
12.	**Change of Interest Basis:**		[Applicable (other details specified below)/Not Applicable] (*applicable for Fixed /Floating Rate Notes*)
13.	**Redemption at the option of the Issuer/Noteholders:**		[Redemption at the option of the Issuer][Redemption at the option of the Noteholders] [(*other details specified below*)]
14.	(a)	**Status of Notes:**	Senior preferred as defined in article L.613-30-3-I-3° of the Monetary and Financial Code
	(b)	**Date of authorisation for the issuance of the Notes:**	Decision of the Executive Board of the Issuer dated [●]
15.	**Method of distribution:**		[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16.	**Provisions relating to Fixed Rate Notes:**		[*Applicable/Not Applicable*] (*If this paragraph is not applicable, delete the remaining sub-paragraphs*)
	(a)	Interest Rate:	[●]% per annum [payable [annually/semi-annually/quarterly/monthly] at maturity/other] [in arrear]
	(b)	Interest Payment Date(s):	[●] in each year [adjusted in accordance with [specify Business Day Convention and any relevant Business Centre(s) for the "Business Day" definition]/not adjusted
	(c)	Fixed Coupon Amount(s):	[●] per Specified Denomination of [●]
	(d)	Broken Amount(s):	[[●] (*Include information relating to the initial or final Broken Amount which are different to the Fixed Coupon Amount(s) and Interest Payment Date(s) to which they relate*)/Not Applicable]
	(e)	Day Count Fraction (Condition 5.1):	[Actual/365 Actual/365-FBF Actual/Actual-[ICMA/ISDA/FBF] Actual/365 (Fixed) Actual/360

			30/360 360/360 Bond Basis 30/360 FBF Actual 30A/360 (American Bond Basis) 30E/360 Euro Bond Basis 30E-360-FBF]
	(f)	Coupon Determination Date(s) (Condition 5.1):	[●] in each year (*specify the Payment Dates, excluding the Issue Date and the Maturity Date in the case of a first or last long or short Coupon.* *Note: only applicable where the Day Count Fraction is Actual/Actual-ICMA Basis).*
17.	**Provisions relating to Floating Rate Notes:**		[Applicable/Not Applicable] *(If this paragraph is not applicable, delete the remaining sub-paragraphs).*
	(a)	Interest Period(s)/ Interest Accrual Period Date:	[●]
	(b)	Interest Payment Date(s):	[[**[●]** each year/ [●] and [●]/[●], [●], [●] and [●]/[●]] until the Maturity Date (inclusive)
	(c)	First Interest Payment Date:	[●]
	(d)	Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][not adjusted] *(Insert "not adjusted" if it is not anticipated that the Coupon Amount will be affected by the application of the applicable business day convention)*
	(e)	Business Centre(s) (Condition 5.1):	[●]
	(f)	Manner in which the Interest Rate is/[are] to be determined:	[Screen Rate Determination/FBF Determination/ISDA Determination]
	(g)	Party responsible for calculating the Interest Rate(s) and Coupon Amount(s) (if other than the Calculation Agent):	[[●] (specify)/Not Applicable]
	(h)	Screen Rate Determination (Condition 5.3(c)(iii)):	
		• Benchmark:	*[EURIBOR, €STR, SONIA, SOFR, TONA, SARON or CMS Rate]*

(if the Interest Rate is determined by linear interpolation in respect of an [first/last] Interest Period [long/short], insert the relevant interest period(s) and the two relevant rates to be used for such determination)

- [Screen Page: [[*Specify Screen Page*] or [Not Applicable]]

  (delete this paragraph if €STR, SONIA, TONA, SARON or SOFR are the Benchmarks)

- Relevant Time: [●]

- Coupon Determination Date(s): [[● [T2] Business Days in (*specify city*) for (*specify currency*)] /[[●] Banking Days in London *(if SONIA)*]/[[●] Banking Days in Tokyo (*if TONA*)/ [[●] Banking Days in Zurich (*if SARON*)]/[Business Days for the American Government (*if SOFR*)] before the first day of each Interest Period/each Interest Payment Date]]

- [Method of Determination for €STR : €STR *Lookback Compound* / €STR *Shift Compound*]

- [Method of Determination for SONIA: SONIA *Lookback Compound*/SONIA Shift Compound/SONIA Compound]

- [Method of Determination for SOFR: SOFR Arithmetic Average/SOFR Lockout Compound/SOFR Lookback Compound/SOFR Shift Compound/SOFR Index Average]

- [Method of Determination for TONA : TONA *Lookback Compound* / TONA *Shift Compound*]

- [Method of Determination for SARON : SARON *Lookback Compound* / SARON *Shift Compound*]

- [Observation Lookback Period: [[●] T2 Business Day/Banking Day in London/Business Day for the American Government/Banking Day in Tokyo/Zurich Banking Day] (*Applicable only when €STR, SONIA, TONA, SOFR or SARON is the Benchmark*)/Not Applicable

- [SOFR Rate Cut-Off Date [●]/[In accordance with the Terms and Conditions of the Notes]

- [Observation Shift Days [●] *(Applicable only if €STR, SONIA, SARON, SOFR, TONA or SARON is the Benchmark)]*

	• [SOFR $Index_{Start}$	[Not Applicable/[●] Business Days for the American Government] *(Applicable only when SOFR is the Benchmark)*
	• SOFR $Index_{End}$	[Not Applicable/[●] Business Day(s) for the American Government] *(Applicable only when SOFR is the Benchmark)*
	• Primary source for the Floating Rate:	[[●] *(Specify the relevant Screen Page or "Reference Banks")*/Not Applicable]
	• Reference Banks (if the primary source is "Reference Banks"):	[[●](*Specify four entities*)/Not Applicable]
	• Relevant Financial Centre:	[●] *(Specify the financial centre most closely connected with the Benchmark – if other than Paris)*
	• Representative Amount:	[[●]*(Specify if quotations published on a Screen Page or offered by Reference Banks must be given for a transaction of a specific amount)*/Not Applicable]
	• Effective Date:	[[●]*(Specify if quotations are not to be obtained with effect from commencement of Interest Period)*/Not Applicable]
	• Specified Duration:	[[●] *(Specify period for quotation if other than duration of Interest Period)*/Not Applicable]
	• Rate Multiplier:	[●]
(i)	FBF Determination (Condition 5.3(c)(i)):	[Applicable/Not Applicable]
	• Floating Rate:	[●] *(If the Interest Rate is determined by linear interpolation in respect of an [first/last] Interest Period [long/short], insert the relevant interest period(s) and the two relevant rates to be used for such determination)*
	• Determination Date for Floating Rate:	[●]
(j)	ISDA Determination (Condition 5.3(c)(ii)):	[Applicable/Not Applicable]
	• Floating Rate Option:	[●]

- Designated Maturity: [●]
- Calculation Period: [●]
- Reset Date: As per Condition 5.3(c)(ii)/[●]

- Fixing Day : [●]
- Effective Date : Interest Period Commencement Date /[●]
- Termination Date: As per Condition 5.3(c)(ii)/[●]
- Delayed Payment: [Applicable : [●] (*if not specified, the applicable number of days is five (5) days*) / Not Applicable]
- [Compounding Method: [Applicable/Not Applicable]

  [Compounding with Lookback :
  Lookback: [●] / (*if not specified in the ISDA Definitions, the applicable number of days is five (5) days*)]

  [Compounding with Observation Period Shift :
  Observation Period Shift : [●] / (*if not specified in the ISDA Definitions, the applicable number of days is five (5) days*)
  [Observation Period Shift Additional Business Days: [●]]]

  [Set-in-Advance : [Applicable/Not Applicable]]

  [Compounding with Lockout :
  Lockout Period: [●]]

  (*if not specified in the ISDA Definitions, the applicable number of days is five (5) days*)

  [Lockout Period Business Days: [●]]]

  [OIS Compounding : Applicable / Not Applicable]

  [2021 ISDA Definitions Linear Interpolation: Applicable (specify the Shorter Designated Maturity and the Longer Designated Maturity, each as defined in the 2021 ISDA Definitions) / Not Applicable]]

(k) Margin(s): [+/-] [●]% per annum

(l) Minimum Interest Rate: [Zero(0)/[●] % per annum

(m)	Maximum Interest Rate:	[Not Applicable/[●] % per annum]
(n)	Day Count Fraction (Condition 5.1):	[Actual/365 Actual/365–FBF Actual/Actual-[ICMA/ISDA/FBF] Actual/365 (Fixed) Actual/360 30/360 360/360 Bond Basis 30/360-FBF Actual 30A/360 (American Bond Basis) 30E/360 Euro Bond Basis 30E-360-FBF]

18.	**Provisions relating to Fixed/Floating Rate Notes:**	[Applicable/Not Applicable] *(If this paragraph does not apply, delete the other sub-paragraphs)*
	(a) Change of Interest Basis:	[Change of Interest Basis at the Option of the Issuer]/[Automatic Change of Interest Basis]
	(b) Date of Change of Interest Basis:	[●]
	(c) Interest Rate applicable to Interest Periods prior to the Date of Change of Interest Basis (excluded) :	Determined in accordance with Condition [5.2, as if the Notes were Fixed Rate Notes] / [5.3, as if the Notes were Floating Rate Notes], as supplemented by paragraph [16/17] of these Final Terms.
	(d) Interest Rate applicable to Interest Periods following the Date of Change of Interest Basis (included) :	Determined in accordance with Condition [5.2, as if the Notes were Fixed Rate Notes] / [5.3, as if the Notes were Floating Rate Notes], as supplemented by paragraph [16/17] of these Final Terms.
	(e) Notice period :	[[●]/Not Applicable] *(only applicable for Change of Interest Basis at the Option of the Issuer)*
19.	**Provisions relating to Zero Coupon Notes:**	[Applicable/Not Applicable] *(If this paragraph is not applicable, delete the remaining sub-paragraphs)*
	(a) Provisions relating to Zero Coupon Notes:	[Applicable/Not Applicable] *(If this paragraph is not applicable, delete the remaining sub-paragraphs)*
	(b) Day Count Fraction:	[Actual/365 Actual/365–FBF Actual/Actual-[ICMA/ISDA/FBF] Actual/365 (Fixed) Actual/360 30/360

360/360
Bond Basis
30/360-FBF
Actual 30A/360 (American Bond Basis)
30E/360
Euro Bond Basis
30E-360-FBF]

PROVISIONS RELATING TO REDEMPTION

20.	**Issuer call:**		[Applicable/Not Applicable] *(If this paragraph is not applicable, delete the remaining sub-paragraphs)*
	(a)	Optional Redemption Date(s):	[●]
	(b)	Optional Redemption Amount(s) for each Note:	[●] per Note of Specified Denomination of [●]
	(c)	If redeemable in part:	
		(i) Minimum Redemption Amount:	[[●] per Note of Specified Denomination [●]/Not Applicable]
		(ii) Maximum Redemption Amount:	[[●] per Note of Specified Denomination [●]/Not Applicable]
	(d)	Notice period:	[In accordance with the Terms]/[●]
21.	**Investor put:**		[Applicable/Not Applicable] *(If this paragraph is not applicable, delete the remaining sub-paragraphs)*
	(a)	Optional Redemption Date(s):	[●]
	(b)	Optional Redemption Amount(s) for each Note:	[●] per Note of Specified Denomination of [●]
	(c)	Notice period:	[In accordance with the Terms]/[●]
22.	**Final Redemption Amount for each Note:**		[●] per Note of Specified Denomination of [●]
23.	**Instalment Amount:**		[Applicable/Not Applicable] *(If this paragraph is not applicable, delete the remaining sub-paragraphs)*
	(a)	Instalment Date(s):	[●]
	(b)	Instalment Amount(s) of each Note:	[●]
24.	**Early Redemption Amount:**		

	(a)	Early Redemption Amount(s) for each Note paid on redemption for tax reasons (Condition 6.6), for illegality (Condition 6.9) or on Event of Default (Condition 9):	[Pursuant to the Terms]/[[●] per Note of Specified Denomination [●]]
	(b)	Redemption for tax reasons on dates other than Interest Payment Dates (Condition 6.6):	[Yes/No]
	(c)	Unmatured Coupons to be cancelled on Early Redemption (Materialised Notes only (Condition 7.2(b)):	[Yes/No/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25.	**Form of the Notes:**		[Dematerialised Notes/Materialised Notes] *(Materialised Notes are issued in bearer form only) (Delete as appropriate)*
	(a)	Form of Dematerialised Notes:	[Applicable/Not Applicable] *(If applicable specify whether in bearer form/registered form)*
	(b)	Registration Agent:	[Not Applicable/*if applicable name and information*] *(Note that a Registration Agent may be appointed in respect of Dematerialised Notes in pure registered form* (au nominatif pur) *only).*
	(c)	Temporary Global Certificate:	[Not Applicable/Temporary Global Certificate exchangeable for Physical Notes on [●] (the **Exchange Date**), 40 days after the issue date, unless postponed, as specified in the Temporary Global Certificate.]
26.	**Financial Centre(s) (Condition 7.7):**		[Not Applicable/*Specify*]. *(Note that this refers to the date and place for payment and not the Coupon Payment Date(s) referred to in paragraphs 16(b) and 17(b))*
27.	**Talons for future Coupons or Receipts to be attached to Physical Notes (and dates on which such Talons mature):**		[Yes/No/Not Applicable]. *(If yes, specify) (Only applicable to Materialised Notes.)*
28.	**Provisions relating to redenomination, renominalisation and reconventioning:**		[Applicable/Not Applicable]
29.	**Provisions relating to consolidation:**		[Not Applicable/The provisions [of Condition 1.5] apply]]
30.	**Masse (Condition 11):**		[Issue outside France: [Applicable/Not Applicable] *(Only applicable to issues of Notes with a nominal*

		value of less than €100,000 (or the equivalent of such amount in other currencies) – otherwise delete)]
		(Specify details relating to the initial and alternate Representatives and their remuneration as set out below) [Name and contact details of the initial Representative are: [●]] [Name and contact details of the alternate Representative are: [●]] The Representative of the Masse [shall receive a remuneration of €[●] per year with respect to its functions/shall not receive compensation with respect to its functions.] / [As long as the Notes are held by a single Noteholder, and unless a Representative has been appointed in respect of that Series, the relevant Noteholder will exercise all of the powers delegated to the Masse under the provisions of the Code de commerce. The Issuer shall keep a record of all the decisions adopted by the single Noteholder in such capacity, and shall make it available, on demand, to any future Noteholder. A Representative shall be appointed when the Notes of a Series are held by more than one Noteholder.]
31.	**[Exclusion of option to request information enabling Noteholders to be identified as provided in Condition 1.1(a):**	[Applicable] *(if option to request information enabling Noteholders to be identified as provided in Condition 1.1(a) is contemplated, delete this paragraph)]*
32.	**Notes capable of being retained in accordance with Condition 6.7:**	[Applicable/Not Applicable]
33.	**Conversion into euros**	[Not applicable/ The aggregate nominal amount of the Notes issued has been converted into euro at a rate of [●] for one (1) Euro, i.e. a sum of: [●]] *(only applicable to Notes which are not denominated in euro.)*

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [*(Relevant third party information)* has been extracted from *(specify source)*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to verify based on data published by *(specify source)*, no facts have been omitted which would render the reproduced information inaccurate or misleading.][52]

Signed on behalf of the Issuer:

By: .....
Duly authorised

[52] To be included if information coming from third parties appears in the Final Terms

PART B

OTHER INFORMATION

1. ADMISSION TO TRADING

(a)	Admission to trading:	[A request for admission of the Notes to trading on [Euronext Paris/other *(specify)*] as from [●] has been made by the Issuer (or on its behalf).] [A request for admission of the Notes to trading on [Euronext Paris/other (*specify*)] as from [●] shall be made by the Issuer (or on its behalf).] [Not Applicable]
(b)	Regulated Markets or similar markets on which, to the Issuer's best knowledge, Notes of the same category as the Notes are already admitted to trading:	[[●]/Not Applicable] *(where documenting a fungible issue, specify that original securities are already admitted to trading.)*
(c)	Total estimated costs relating to admission to trading:	[[●]/Not Applicable]

2. RATINGS

	Ratings:	The Programme has been assigned a A+ rating by Fitch Ratings Ireland Limited (**Fitch**) and a rating A+ by S&P Global Ratings Europe Limited (**S&P**). As at the date of the Base Prospectus, Fitch and S&P are rating agencies established in the European Union and registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and Council dated 16 September 2009 relating to credit rating agencies as amended (the CRA Regulation) and are included on the list of rating agencies published on the website of the European Securities and Markets Authority (https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the CRA Regulation. [The ratings issued by Fitch and S&P are, as applicable, endorsed by credit rating agencies established in the United Kingdom and registered in conformity with the CRA Regulation forming part of the law applicable in the United Kingdom in

application off the *European Union (Withdrawal) Act 2018* (the **CRA Regulation of the United Kingdom**) or certified in application of the CRA Regulation of the United Kingdom] (*only include if the Notes are placed in the United Kingdom*))

The Notes to be issued will not be rated/The Notes to be issued [shall be/will be/have been] assigned the following rating:
[●: [●]]
[[Other]: [●]]

(The rating assigned to the Notes issued under the Programme must be specified above or, if an issue of Notes has been assigned a specific rating, such specific rating should be specified above. Give a brief indication of this rating if it has already been published by the assigning agency.)

(In this paragraph, only mention to the rating (or absence of rating) of the Notes subject to the Final Terms, including in the case of a fungible issue.)

3. [NOTIFICATION

[The Autorité des Marchés Financiers has been requested to provide/The Autorité des Marchés Financiers has provided *(use the first alternative for Notes issued contemporaneously with the updating of the Programme and the second alternative for subsequent issues)*] to *(insert the name of the relevant authority in the host member State)* [a] certificate[s] of approval certifying that the prospectus and the supplement[s] [has]/[have] been prepared in accordance with the Prospectus Regulation.]]

4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

The purpose of this section is to describe any interest, including any conflict of interest that may have a material impact on the issue of Notes, identifying each person concerned and the nature of such interest. This may be satisfied by inserting the following statement:

[Except the commissions related to the issue of Notes [and the expenses relating to *[insert details of expenses]*] paid to Dealer[s], so far as the Issuer is aware, no other person involved in the issue of Notes has any interest material to the issue. Dealers and their affiliates have been engaged and may be engaged in investment banking and/or commercial banking transactions with the Issuer or the Guarantors, and may perform other services for it in the ordinary course of business.]

5. REASONS FOR THE OFFER, USE OF PROCEEDS

(a) Reasons for the Offer: [[●]/[The net proceeds of the issue of Notes are intended to finance the activities conducted by the Issuer in accordance with its corporate objects]/[Sustainable Bonds]

[●] *(If necessary, describe any specific Eligible Categories and include any necessary additional information, provided that the term "alignment" is not be used to describe any specific Eligible Category since this term must be reserved for aligned activities as defined by the Taxonomy Regulation, i.e., activities that meet the following four conditions: (i) a substantial contribution to one or more environmental objectives, (ii) the absence of significant harm (DNSH), (iii) compliance with minimum safeguards, and (iv) compliance with technical review criteria.))*

[*(See Section "Use of Proceeds" of the Base Prospectus – If the proposed use of proceeds is different than described, specify here the reasons for the offer.)*]

(b) Estimated net proceeds: [●]

(If the proceeds are to be applied towards several uses, provide a breakdown and order of priority. If the proceeds are insufficient to finance all planned uses, specify the amount and sources of other financing. Specify whether the proceeds are intended to finance environmental and social projects)

(c) Estimated total expenses:[53] [●]

(A breakdown of the expenses for each planned main "use" must be provided and presented in order of priority.)

6. [FIXED RATE NOTES ONLY - YIELD

Yield: [●] per annum.
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

7. [FLOATING RATE NOTES ONLY – PERFORMANCE OF INTEREST RATES

Details of the performance of interest rates [EURIBOR, €STR, SONIA, SOFR, SARON, CMS Rate] that may be obtained from [●], [but not] free of charge, from [●]/[Include electronic means by which performance can be obtained]]

[Benchmark: The amounts payable in respect of the Notes may be calculated by reference [to EURIBOR/the CMS Rate/SARON] as supplied by [●]. As of [●], [●] [is / is not] entered on the

[49] Information not required in the case of an issue of notes of more than €100,000

register of administrators and benchmarks (the **BMR Register**) established and maintained by the European Securities and Markets Authority in accordance with article 36 of Regulation (EU) 2016/1011, as amended (the **Benchmarks Regulation**), [*for a significant benchmark — be sure to check the BMR Register to verify the publication of public notices*: and as of [*date*], [one/no] public notice [has/has not] been published in the BMR Register with respect to [●].]

[To the Issuer's knowledge, [[●] (*insert the name(s) of the benchmark(s)*) does not fall within the scope of the Benchmarks Regulation pursuant to Article 2 of the Benchmarks Regulation] / [the transitional provisions of the Benchmarks Regulation apply, such that [●] (*insert the name(s) of the administrator(s)*) is not currently required to be appear in the BMR Register as an authorised, registered, or if located outside the European Union, recognised, endorsed, or benefitting from equivalence, subject to the submission by [●] (*insert the name(s) of the administrator(s)*) of an application to be [authorised, registered,] recognised, or endorsed (as applicable) and provided that such application has not been denied.]

[As of [●], [●] (*insert the name(s) of the administrator(s)*) appears on the BMR Register established and maintained by the European Securities and Markets Authority in accordance with Article 36 of the Benchmarks Regulation to the extent that it[they] provide[s] one or more benchmark(s) other than [●] (*insert the name(s) of the benchmark(s)*) falling within the scope of the Benchmarks Regulation. However, to the best of the Issuer's knowledge, [●] (*insert the name(s) of the benchmark(s)*) [is/are] not required to be registered in accordance with Article 2 of the Benchmarks Regulation. (*Specify when the Final Terms refer to a benchmark that falls outside the scope of the Benchmarks Regulation, but whose administrator is nevertheless listed in the BMR Register because it provides a benchmark that falls within the scope of the Benchmarks Regulation*)]

8. DISTRIBUTION

If syndicated, names [and addresses][54] of the Managers:	[Not applicable/*give names*]
(a) Stabilising Manager(s) (if any):	[Not applicable/*give names*]
(b) Underwriting commitments of the Manager(s):	[●][55]
(c) Date of the Subscription Agreement:	[●][56]
If non-syndicated, names [and addresses][57] of the Dealer:	[Not applicable/*give names*]
U.S. Selling restrictions:	[Regulation S Compliance Category 1; TEFRA C/TEFRA D/ Not applicable] *(TEFRA are not applicable to Dematerialised Notes)*

[54] The address must be specified in the case of an issue of notes under €100,000 when the relevant Dealer is not a Permanent Dealer.
[55] Information not required in the case of an issue of notes of more than €100,000.
[56] Information not required in the case of an issue of notes of more than €100,000.
[57] The address must be specified in the case of an issue of notes under €100,000 when the relevant Dealer is not a Permanent Dealer.

Non-exempt Offer:	*[Not applicable]/[An offer of Notes may be made by Dealers] [and (specify names of the other financial intermediaries/dealers which realise non-exempt offers, if it is known OR consider a generic description of the other parties involved in the non-exempt offers in France or in Luxembourg during the Offer Period, if it is not known)]* (together with the Dealers, the **Financial Intermediaries**) if applicable)] other than pursuant to Article 1(4) of the Prospectus Regulation [in France/[and] in Luxembourg] during the period from [specify the date] to [●] *[specify the date or wording such as "Issue Date" or "the Date which occurs* [●] *Business Days following this date"]* (the **Offer Period**). For more details, see paragraph 10 of 0 (*Note: Consider all local regulatory requirements which shall be respected in order to implement a non-exempt offer in France or in Luxembourg. Such offer shall not be implemented in France or in Luxembourg until those requirements are respected.).*

9. OPERATIONAL INFORMATION

(a) ISIN Code:	[●]
(b) Common Code:	[●]
(c) Name and address of entities that have firmly undertaken to act as intermediaries on the secondary market and ensure liquidity by buying / selling, and a description of the main terms of their undertaking:	[[●]/Not applicable]
(d) Depositary(ies):	[[●]/Not applicable]
(i) Euroclear France acting as Central Depositary:	[Yes/No]
(ii) Common Depositary for Euroclear and Clearstream:	[Yes/No]
(e) Any clearing system other than Euroclear France, Euroclear and Clearstream and the relevant identification number(s):	[Not Applicable/give name(s) and number(s)]
(f) Delivery:	Delivery [against/free of payment]
(g) Names and addresses of initial Paying Agents appointed for the Notes:	[●]

(h)	Names and addresses of additional Paying Agents appointed for the Notes:	[●]

10. [NON-EXEMPT OFFERS TO THE PUBLIC

(a)	Conditions to which the offer is subject:	[Not Applicable/(*give details*)]
(b)	Total amount of the offer. If the amount has not been fixed, maximum amount intended to be offered and conditions and timetable for public announcement of the final amount:	[[●]/Not Applicable/(*specify*)]
(c)	Specify the time period, mentioning any possible modification, during which the offer will be open and describe the application process:	[Not Applicable/(give details)]
(d)	Information on the minimum and/or maximum subscription amount:	[Not Applicable/(*give details*)]
(e)	Description of option to reduce the amount of the offer and the method for reimbursing overpayments made by subscribers:	[Not Applicable/(*give details*)]
(f)	Information on method and cut-off date for payment for and delivery of the Notes:	[Not Applicable/(*give details*)]
(g)	Procedure and date for publication of the results of the offer:	[Not Applicable/(*give details*)]
(h)	Procedure for exercise of any preferential rights, negotiability of subscription rights and treatment reserved for unexercised subscription rights:	[Not Applicable/(*give details*)]
(i)	Categories of prospective investors to which the Notes are offered	[Not Applicable/(*give details*)]
(j)	If the offer is made in the same time on markets located in different countries, and if a tranche has been reserved or is reserved to some investors, specify what the tranche is:	[Not Applicable/(*give details*)]
(k)	Procedure for notification to subscribers of their allocations and indication of whether the distribution can begin prior to notification:	[Not Applicable/(*give details*)]

11. [DETERMINATION OF PRICE (NON-EXEMPT OFFER TO THE PUBLIC)[58]

(a) Provisional price at which the Notes are offered:	[Not Applicable/(*give details*)]
(b) Method for determining price and publication procedure:	[Not Applicable/(*give details*)]
(c) Amount of any fee or tax chargeable to the subscriber or purchaser:	[Not Applicable/*(give details*)]

[58] Information required in case of issue of notes of less than €100,000.

12. PLACEMENT AND UNDERWRITING[59]

Issuer consent in order to use the Base Prospectus during the Offer Period:	[Not applicable/ Applicable to any Authorised Institutions indicated below]
Authorised Institution(s) in the different countries where the offer takes place:	Not applicable/Name(s) and address(es) and, if relevant, LEI of financial intermediaries authorised by the Issuer in order to act as Authorised Institution(s) / Any financial intermediary which satisfies the conditions set out below in section "Conditions relating to the Issuer's consent to the use the Base Prospectus"]
Conditions relating to the Issuer's consent to the use the Base Prospectus:	[Not applicable/*Specify any clear and objective condition, other than those indicated on page[●] of the Base Prospectus, relating to consent and relevant to use of the Base Prospectus.*]
Name and address of intermediaries responsible for fiscal agency and depositaries in each country (in addition to the Paying Agent):	[●]
Entities that have agreed to underwrite the offer and entities that have agreed to place the Notes without any underwriting commitment or pursuant to a "best efforts" (*placement pour compte*) agreement, terms of the agreements entered into, including quotas (if the whole amount of the issue is not underwritten, specify the portion underwritten), total amount of underwriting fee (underwritten offer):	[●]

[59] Information required in case of issue of notes of less than €100,000.

[APPENDIX – SUMMARY OF THE ISSUE][60]

[●]

[60] Insert only for issues of Notes of less than €100,000.

GENERAL INFORMATION

1. The Issuer has obtained all consents, approvals and authorisations necessary in France in connection with the update of the Programme. Any issuance of Notes under the Programme, to the extent that such Notes constitute obligations under French law, requires a prior decision of the Executive Board (Directoire). The Issuer's Supervisory Board which met on 9 December 2025 set at €2.5 billion the maximum issuance amount of Notes during the year 2026. The Issuer's Executive Board which met on 9 December 2025 authorised, for a period of one year from 1 January 2026 to 31 December 2026, the issuance of Notes up to a maximum amount of €2.5 billion.

2. The provision of the ST Guarantee by ST has been authorised by decisions of the Board of Directors of ST dated 5 June and 18 November 2014. The decision of the Board of Directors dated 28 September 2018 has increased the maximum cap for the ST Guarantee from €5,000,000,000 to €10,000,000,000, the decision of the Board of Directors dated 13 June 2022 has increased the maximum cap for the ST Guarantee from €10,000,000,000 to €15,000,000,000 and the decision of the Board of Directors dated 11 June 2024 has increased the maximum cap for the ST Guarantee from €15,000,000,000 to €20,000,000,000 and the decision of the Board of Directors dated 10 June 2026 raised the maximum limit of the ST Guarantee from €20,000,000,000 to €25,000,000,000.

3. The Legal Entity Identifier of the Issuer is: 969500NMI4UP00IO8G47. The Legal Entity Identifier of ST is: 9695002K2HDLD20JU790;

4. The Base Prospectus has been approved by the Autorité des Marchés Financiers (**AMF**) which has assigned approval no. 26-288 on 22 July 2026 in its capacity as competent authority pursuant to the Prospectus Regulation. The AMF has approved the Base Prospectus having verified that the information contained therein is complete, coherent and comprehensible within the meaning of the Prospectus Regulation. Such approval should not be considered as a favourable opinion on the Issuer or on the quality of the Notes issued under the Base Prospectus. Investors are invited to make their own assessment of the appropriateness of investing in the relevant notes.

5. Except as mentioned in the sub-section 9.2 "*Debts represented by a security*" of the section 9 "*Additional information*" of the "*Description of the Issuer*" chapter of the Base Prospectus, no material change to the financial position or financial performance of the Issuer has occurred since 31 December 2025.

   Except as mentioned in the sub-section 4.1(e)(ii) "*Debts represented by a security*" in section 4 "*Description of ST*" of the "*Description of the Guarantors and guarantee mechanism"* chapter of the Base Prospectus, no material change in the financial position or financial performance of ST has occurred since 31 December 2025.

6. There has been no material adverse change in the prospects of the Issuer since 31 December 2025, and there has been no material adverse change in ST's prospects since 31 December 2025.

7. An application for admission to trading on Euronext Paris or on the Luxembourg Stock Exchange will be made if required. Application has been made for the delivery by the Autorité des Marchés Financiers of a certificate of approval specifying that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation to the Commission de Surveillance du Secteur Financier (CSSF) as competent authority in Luxembourg for the purposes of the Prospectus Regulation. In compliance with the Prospectus Regulation, such notification may be made to any other competent authority of any other member state of the EEA.

8. This Base Prospectus and any supplements will be published on the websites of (a) the AMF(www.amf-france.org), (b) the Issuer (https://www.agence-france-locale.fr/), and (c) any other relevant regulatory authority. The documents incorporated by reference in the Base Prospectus will be published on the website of the Issuer (https://www.agence-france-locale.fr/). So long as any Notes are admitted to trading on a regulated market in the EEA, or offered to the public to investors other than qualified investors in a member State other than France, in each case in accordance with the Prospectus Regulation, the relevant Final Terms shall be published on the websites of (i) the AMF (www.amf-france.org), and (ii) the Issuer (https://www.agence-france-locale.fr/).

9. During the twelve (12) months preceding the date of this Base Prospectus, there have not been any administrative, legal or arbitration proceedings (including any proceedings pending that the Issuer is aware of) involving the Issuer, that may have or have recently had a material effect on the financial position or profitability of the Issuer. During the twelve (12) months preceding the date of this Base Prospectus, there have not been any administrative, legal or arbitration proceedings (including any proceedings pending that the Issuer is aware of) involving the Guarantor that may have or have recently had a material effect on the financial position or profitability of the Guarantor.

10. An admission application of the Notes for clearance through Euroclear France (10-12, place de la Bourse, 75002 Paris, France), Euroclear (boulevard du Roi Albert II – 1210 Brussels – Belgium) and Clearstream (42 avenue J.F. Kennedy – 1885 Luxembourg – Grand-Duchy of Luxembourg) may be made. The Common Code and ISIN number (International Securities Identification Number) or the identification number of any other relevant clearing system for each Series of Notes shall be specified in the applicable Final Terms.

11. So long as any Notes issued under this Programme remain outstanding, copies of the following documents shall be available, upon publication, free of charge, on the Issuer's website (https://www.agence-france-locale.fr/) or during normal office hours, on any weekday (except Saturdays, Sundays and public holidays) at the specified office of the Fiscal Agent and the Paying Agents:

    (a) the Fiscal Agency Agreement (which includes the form of accounting letter (lettre comptable), the Temporary Global Certificates, Physical Notes, Coupons, Receipts and Talons);

    (b) all Final Terms relating to any Notes admitted to trading on Euronext Paris or any other regulated market or offered to the public to investors other than qualified investors in a Member State of the EEA;

    (c) a copy of this Base Prospectus and of any supplement to this Base Prospectus or any new base prospectus;

    (d) Issuer's 2025 IFRS Consolidated Annual Financial Statements;

    (e) Issuer's 2025 French GAAP Annual Financial Statements; and

    (f) ST's 2025 Consolidated Financial Statements.

For the duration of this Base Prospectus, copies of the following documents will be available on the Issuer's website (https://www.agence-france-locale.fr/):

    (a) The Issuer's and ST's articles of association (Statuts); and

    (b) all reports, correspondence and other documents, appraisals and statements issued by any expert at the request of the Issuer, any extracts of which, or references to which, are contained in this Base Prospectus relating to any issue of Notes.

12. The price and the amount of the Notes issued within the Programme shall be determined by the Issuer and each relevant Dealer at the time of the issue in accordance with the market conditions.

13. For any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes shall be specified in the relevant Final Terms. The yield shall be calculated at the Issue Date of the Notes on the basis of the Issue Price and shall not be an indication of future yields.

14. In connection with the issue of any Tranche, any of the Dealers may act as stabilisation manager (the **Stabilisation Manager)**. The entity acting as Stabilisation Manager shall be specified in the relevant Final Terms. For the purposes of an issue, the Stabilisation Manager (or any person acting on behalf of the Stabilisation Manager) may over-allot Notes or take action with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail in the absence of such action (the **Stabilisation Measures**). However, such Stabilisation Measures may not necessarily take place. Such Stabilisation Measures may only commence after the date on which the Final Terms of the issue of the relevant Tranche have been made public and, once commenced, may cease at any time and must end no later than the earlier of the following two dates: (a) thirty (30) calendar days after the issue date of the relevant Tranche and (b) sixty (60 calendar days after the date of allotment of the Notes of the relevant Tranche. Any Stabilisation Measures taken must comply with all applicable laws and regulations.

15. Amounts payable under the Notes may be calculated by reference to one or more benchmarks for the purposes of Regulation (EU) 2016/1011 of the European Parliament and Council dated 8 June 2016, as amended (the **Benchmarks Regulation**). In such case, a statement shall be included in the relevant Final Terms to indicate whether the benchmark administrator appears in the register of administrators maintained by ESMA under Article 36 of the Benchmarks Regulation or whether, to the Issuer's knowledge, the transitional provisions of the Benchmarks Regulation apply, provided that the €STR, the SONIA, SOFR, and TONA do not fall within the scope of the Benchmarks Regulation in accordance with the provisions of Article 2 of the Benchmarks Regulation, and their respective administrators are not subject to the authorisation or registration requirements of the Benchmarks Regulation.

16. Information derived from third parties and appearing in this Base Prospectus has been faithfully reproduced and, so far as the Issuer is aware and has been able to verify based on data published by such third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

17. Unless such information has been incorporated by reference in this Base Prospectus, the information appearing on the websites mentioned in this Base Prospectus does not form part of this Base Prospectus, has not been examined or approved by the competent authority and is provided for information purposes only.

RESPONSIBILITY FOR THE BASE PROSPECTUS

1. PERSONS ASSUMING RESPONSIBILITY FOR THIS BASE PROSPECTUS

Mr Yves Millardet, President of the Executive Board of the Issuer
Mr Yves Millardet, Deputy Chief Executive Officer of ST

2. RESPONSIBILITY STATEMENT

"I confirm that the information contained in this Base Prospectus is, to my knowledge, in accordance with the facts and contains no omission likely to affect its import."

Mr Yves Millardet, President of the Executive Board of the Issuer
Paris 22 July 2026

"I confirm that the information contained in this Base Prospectus is, to my knowledge, in accordance with the facts and contains no omission likely to affect its import."

Mr Yves Millardet, Deputy Chief Executive Officer of ST
Paris, 22 July 2026

3. PERSON ASSUMING RESPONSIBILITY FOR THE FINANCIAL INFORMATION ON THE ISSUER

Pierre-Jean Bagilet, Chief Financial Officer, Member of the Issuer's Executive Board
112, rue Garibaldi, 69006 Lyon

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AMF AUTORITÉ DES MARCHÉS FINANCIERS

The Base Prospectus has been approved by the AMF, as competent authority for the purposes of Regulation (EU) n°2017/1129, as amended. The AMF approves this Base Prospectus having verified that the information contained therein is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129, as amended. Approval does not imply that the AMF has verified the accuracy of this information.

Such approval should not be considered as a favourable opinion on the Issuer nor on the quality of the Notes issued under the Base Prospectus. Investors are invited to make their own assessment of the appropriateness of investing in the relevant Notes.

The Base Prospectus was approved on 22 July 2026 and is valid for a period of 12 months after such approval, namely until 22 July 2027, and shall, during this period and, as provided in Article 23 of Regulation (EU) 2017/1129, as amended, be completed by a supplement to the Base Prospectus in the event of material new facts or significant errors or inaccuracies.

The Base Prospectus bears the following approval number: 26-288

Issuer

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112, rue Garibaldi
69006 Lyon
France

Guarantor

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France

Arrangers

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Fiscal Agent, Principal Paying Agent and Calculation Agent

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Auditors of the Issuer and of ST

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