



# COMPAGNIE DE SAINT-GOBAIN

(incorporated in the Republic of France)

EUR 15,000,000,000

## MEDIUM TERM NOTE PROGRAMME

This document comprises the base prospectus (the “**Base Prospectus**”) for the issuance of fixed rate notes, floating rate notes (including constant maturity swap (“**CMS**”) linked notes), inflation linked notes, and zero coupon notes, (the “**Notes**”, each series a “**Series of Notes**”) under the €15,000,000,000 Medium Term Note Programme (the “**Programme**”) of Compagnie de Saint-Gobain (the “**Issuer**” or “**Saint-Gobain**”). The Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time, outside the Republic of France, issue Notes denominated in any currency (including Euro) agreed between the Issuer and the relevant Dealer (as defined below).

Notes may be issued in bearer or registered form (respectively “**Bearer Notes**” and “**Registered Notes**”). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €15,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein. The minimum denomination for Notes issued under the Programme shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

The Notes may be issued to one or more of the Dealers specified under “*Description of the Programme*” and any additional Dealer appointed under the Programme from time to time by the Issuer (each a “**Dealer**” and together the “**Dealers**”), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the “**relevant Dealer**” shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

**An investment in Notes issued under the Programme involves certain risks.** For a discussion of these risks see “*Risk Factors*”.

This Base Prospectus has been approved by the *Autorité des marchés financiers* (“**AMF**”) in France in its capacity as competent authority under Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). The AMF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of this Base Prospectus. Investors should make their own assessment of the opportunity to invest in such Notes.

This Base Prospectus supersedes the base prospectus dated 11 April 2019 (as supplemented from time to time) and shall be in force for a period of one year as of the date of its approval by the AMF. Consequently, this Base Prospectus (as supplemented from time to time) will expire on 9 June 2021 and the obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies will no longer apply from such date.

Application may be made to Euronext Paris for Notes issued under the Programme during the 12 months from the date of this Base Prospectus to be admitted to trading on Euronext Paris. References in this Base Prospectus to Notes being listed (and all related references) shall mean that such Notes have been admitted to trading on Euronext Paris. Euronext Paris is a regulated market (a “**Regulated Market**”) for the purposes of Directive 2014/65/EU, as amended (“**MiFID II**”). Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in the relevant final terms (the “**Final Terms**”) which will be delivered to Euronext Paris.

Holders of the Notes (the “**Noteholders**”) will be entitled, following a Change of Control, to request the Issuer to redeem, purchase or procure the purchase of their Notes at their principal amount together with any accrued interest as more fully described under “*Terms and Conditions of the Notes – Change of Control*”.

The Issuer’s general long term debt ratings are (P)Baa2 (stable outlook) by Moody’s Deutschland GmbH and BBB (stable outlook) by S&P Global Ratings Europe Limited. The Programme has been rated (P)Baa2 by Moody’s Deutschland GmbH and BBB by S&P Global Ratings Europe Ltd. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will not necessarily be the same as the rating(s) assigned to the Programme. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Series of Notes will be issued by a credit rating agency established in the European Union (“**EU**”) or in the United Kingdom and registered under Regulation (EC) No. 1060/2009, as amended (the “**CRA Regulation**”) will be disclosed in the Final Terms. As of the date of this Base Prospectus, Moody’s Deutschland GmbH and S&P Global Ratings Europe Limited are credit rating agencies established in the European Union and registered under the CRA Regulation. They appear on the list of registered and certified rating agencies published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)). In general, European or UK regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the European Union or in the United Kingdom and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. For more information on the ratings of the Programme, see “*Description of the Programme – Rating*”. A credit rating is not a recommendation to buy, sell or hold Notes and may be revised or withdrawn by the relevant rating agency at any time. Any such revision or withdrawal could adversely affect the market value of the Notes.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the terms and conditions of the Notes under “*Terms and Conditions of the Notes*” (the “**Conditions**”), in which event a new prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any U.S. state, and may not be offered or sold, directly or indirectly, in the United States or to, or for the account or the benefit of, U.S. persons, as defined in Regulation S under the Securities Act, unless the Notes are registered under the Securities Act or except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and or such state securities laws. See “*Notes in Global Form*” for a description of the manner in which Notes will be issued. Registered Notes are subject to certain restrictions on transfer; see “*Subscription and Sale and Transfer and Selling Restrictions*”.

### ARRANGER

SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

### DEALERS

BBVA  
CITIGROUP  
GOLDMAN SACHS BANK EUROPE SE  
J.P. MORGAN  
NATWEST MARKETS  
SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

BNP PARIBAS  
CRÉDIT AGRICOLE CIB  
ING  
MUFG  
SANTANDER CORPORATE &  
INVESTMENT BANKING

The date of this Base Prospectus is 9 June 2020.

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## **IMPORTANT INFORMATION**

**This Base Prospectus has been approved by the AMF, as competent authority under the Prospectus Regulation and comprises a base prospectus in respect of all Notes issued under the Programme for the purposes of Article 8 of the Prospectus Regulation.**

**In this document references to the “Group” are to Saint-Gobain and its consolidated subsidiaries.**

**The Issuer accepts responsibility for the information contained in this Base Prospectus and for the information contained in the Final Terms for each issue of Notes under the Programme. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and makes no omission likely to affect its import.**

**Following the publication of this Base Prospectus, a supplement may be prepared by the Issuer and approved by the AMF in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.**

**This Base Prospectus is to be read in conjunction with all documents that are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*”). This Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Base Prospectus.**

**The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.**

**No person is or has been authorised by the Issuer to give any information or to make any representation not contained in this Base Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.**

**Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.**

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Base Prospectus when deciding whether or not to purchase any Notes.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which would permit a public offering of any Notes within or outside France or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the United Kingdom, France and Japan. (See “*Subscription and Sale and Transfer and Selling Restrictions*”.)

MiFID II product governance / target market – The Final Terms in respect of any Notes will include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018, and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “MiFID Product Governance Rules”), any Dealer subscribing for any Notes is a

manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**PRIIPs – IMPORTANT – EEA AND UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II, (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). Any Notes will only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments.

**They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio. None of the Dealers or the Issuer makes any representation to any investor in the Notes regarding the legality of the investor's investment in the Notes under any laws applicable to such investor. In addition, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.**

**Investors should note that on 31 January 2020, the United Kingdom (the "UK") withdrew from the European Union under the "Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community" dated 19 October 2019 (the "Withdrawal Agreement"). The Withdrawal Agreement instituted a transition period, ending on 31 December 2020 which may be extended by the parties to it (the "Transition Period"). Further to the Withdrawal Agreement, the provisions of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters ("Brussels I Recast Regulation") will apply to the recognition and enforcement in France of judgments issued by the Courts of the UK in legal proceedings instituted before the end of the Transition Period.**

**After the end of the Transition Period, as extended, as the case may be, save in case of a specific agreement governing the relations between the European Union and the UK thereafter, the provisions of Brussels I Recast Regulation may no longer be applicable.**

**In 2018, in contemplation of a possible no-deal exit from the European Union, the UK had deposited an instrument of accession to the Convention on Choice of Courts Agreements dated 30 June 2005 (the "Hague Convention"). On 31 January 2020, the Government of the UK withdrew such instrument of accession to the Hague Convention. On the same date, the Government of the UK also declared that the UK intends to deposit a new instrument of accession at the appropriate time prior to the termination of the Transition Period to ensure the seamless continuity of the application of the Hague Convention in the UK. Subject to such timely accession, and provided that the Courts of the UK are designated under exclusive jurisdiction clauses falling within the scope and definitions of the Hague Convention, judgments issued by the Courts of the UK in legal proceedings instituted after the end of the Transition Period could therefore be recognized and enforced in France under the Hague Convention. Investors should also note that the recognition and enforcement of judgements issued by the Courts of the UK will not occur under the same terms and conditions under the Hague Convention and the Brussels I Recast Regulation.**

All references in this document to U.S. dollars and U.S.\$ refer to United States dollars. In addition, all references to Yen, JPY and ¥ refer to currency of Japan, to Sterling, GBP and £ refer to pounds sterling and to Euro and € refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

## **TAXATION**

A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes. Payments of interest on the Notes, or profits realised by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in the Noteholder's home jurisdiction or in other jurisdictions in which it is required to pay taxes. Certain French tax matters relating to an investment in the Notes are summarised under the "*Taxation*" section below; however, that section does not contain a comprehensive description of the tax impact of an investment in the Notes and the tax impact on an individual Noteholder may differ from the impact described in that section. The Issuer advises all investors to contact their own tax advisors for advice on the tax impact of an investment in the Notes.

## **CREDIT RATINGS**

One or more independent credit rating agencies (such as Moody's Deutschland GmbH and S&P Global Ratings Europe Limited) may assign credit ratings to the Notes. There is no guarantee that such ratings will be assigned or maintained or that such credit ratings reflect the potential impact of all risks related to an investment in the Notes. Rating agencies may change their rating methodology making it more difficult to maintain a certain credit rating. Accordingly, a credit rating is not a recommendation to buy, sell or hold Notes and may be revised or withdrawn by the relevant rating agency at any time. Any such revision or withdrawal could adversely affect the market value of the Notes.

In general, European or UK regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes unless such ratings are issued by a credit rating agency established in the European Union or in the UK and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU or non-UK credit rating agencies, unless the relevant credit ratings are endorsed by an EU- or UK-registered credit rating agency or the relevant non-EU or non-UK rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings will be disclosed in the applicable Final Terms.

## **U.S. INFORMATION**

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH, RECOMMENDED BY OR APPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY STATE SECURITIES COMMISSION IN THE U.S. OR ANY OTHER SECURITIES COMMISSION OR REGULATORY AUTHORITY IN THE U.S., NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON THE ACCURACY OR ADEQUACY OF THIS BASE**

**PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.**

This Base Prospectus is being or may be circulated on a confidential basis in the United States to QIBs or Institutional Accredited Investors (each as defined under “*Notes in Global Form*”) that have executed and delivered an IAI Investment Letter (as defined under “*Terms and Conditions of the Notes*”) for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Registered Notes may be offered or sold within the United States only to QIBs or to Institutional Accredited Investors that have executed and delivered an IAI Investment Letter, in either case in transactions exempt from registration under the Securities Act. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A under the Securities Act (“Rule 144A”).

Purchasers of Definitive IAI Registered Notes will be required to execute and deliver an IAI Investment Letter (as defined under “*Terms and Conditions of the Notes*”). Each purchaser or holder of Definitive IAI Registered Notes, Notes represented by a Rule 144A Global Note or any Notes issued in registered form in exchange or substitution therefor (together “*Legended Notes*”) will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in “*Subscription and Sale and Transfer and Selling Restrictions*”. Unless otherwise stated, terms used in this paragraph have the meanings given to them in “*Terms and Conditions of the Notes*”.

**AVAILABLE INFORMATION**

To permit compliance with Rule 144A in connection with any resales or other transfers of Registered Notes that are “restricted securities” within the meaning of the Securities Act, the Issuer has undertaken in a deed poll dated 9 June 2020 to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, (the “Exchange Act”), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

**SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES**

The Issuer is a corporation organised under the laws of France. The majority of the officers and directors named herein reside outside the United States and all or a substantial portion of the assets of the Issuer and of such officers and directors are located outside the United States. As a result, it may not be possible for investors to effect service of process outside France upon the Issuer or such persons, or to enforce judgments against them obtained in courts outside France predicated upon civil liabilities of the Issuer or such directors and officers under laws other than French law, including any judgment predicated upon United States federal securities laws.



## **PRESENTATION OF FINANCIAL AND OTHER INFORMATION**

The Issuer maintains its financial books and records and prepares its consolidated financial statements in Euros in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union which differ in certain important respects from generally accepted accounting principles in the United States (“U.S. GAAP”).

## **EXCHANGE RATE INFORMATION**

This Base Prospectus contains conversions of certain amounts into Euro solely for the convenience of the reader. No representation is made that such amounts referred to in this Base Prospectus could have been or could be converted into Euro at any particular rate or at all.

## **STABILISATION**

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager(s) (or persons acting on behalf of a Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

## **FORWARD-LOOKING STATEMENTS**

This Base Prospectus contains “forward-looking statements” relating to the Issuer’s business and the sectors in which it operates. Forward-looking statements include all statements that are not historical facts, and can be identified by words such as “believes”, “anticipates”, “projects”, “intends”, “expects”, or the negatives of these terms or similar expressions. These statements appear in a number of places in this Base Prospectus. Any forward-looking statements contained in this Base Prospectus should not be relied upon as predictions of future events. No assurance can be given that the expectations expressed in these forward-looking statements will prove to be correct. Actual results could differ materially from expectations expressed in the forward-looking statements if one or more of the underlying assumptions or expectations proves to be inaccurate or is unrealised or if other factors affect the outcome. Some important factors that could cause actual results to differ materially from those in the forward-looking statements are, in certain instances, included with such forward-looking statements and in the section entitled “*Risk Factors*” in this Base Prospectus. The forward-looking statements included in this Base Prospectus are only made as of the date of this Base Prospectus and the Issuer does not undertake any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances.

## DESCRIPTION OF THE PROGRAMME

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

<b>Issuer:</b>	Compagnie de Saint-Gobain, a French <i>société anonyme</i>
<b>Description:</b>	Medium Term Note Programme
<b>Arranger:</b>	Société Générale
<b>Dealers:</b>	Banco Bilbao Vizcaya Argentaria, S.A. Banco Santander, S.A. BNP Paribas Citigroup Global Markets Europe AG Citigroup Global Markets Limited Crédit Agricole Corporate and Investment Bank Goldman Sachs Bank Europe SE ING Bank N.V. Belgian Branch J.P. Morgan Securities plc MUFG Securities (Europe) N.V. NatWest Markets N.V. Société Générale

and any other Dealers appointed in accordance with the Programme Agreement.

<b>Certain Restrictions:</b>	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale and Transfer and Selling Restrictions</i> ”) including the following restrictions applicable at the date of this Base Prospectus.
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### **Notes having a maturity of less than one year**

Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see “*Subscription and Sale and Transfer and Selling Restrictions*”.

<b>Issuing and Principal Paying Agent:</b>	Deutsche Bank AG, London Branch
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<b>Programme Size:</b>	Up to €15,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuer may increase or decrease the amount of the Programme in accordance with the terms of the Programme Agreement.
<b>Distribution:</b>	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
<b>Currencies:</b>	Notes may be denominated in Euro, Sterling, U.S. dollars, Yen and, subject to any applicable legal or regulatory restrictions, any other currency agreed between the Issuer and the relevant Dealer and provided for in the applicable Final Terms (the “ <b>Specified Currency</b> ”).
<b>Maturities:</b>	Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
<b>Issue Price:</b>	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
<b>Form of Notes:</b>	The Notes will be issued in bearer or registered form as described in “ <i>Terms and Conditions of the Notes</i> ”. Registered Notes will not be exchangeable for Bearer Notes and vice versa.
<b>Fixed Rate Notes:</b>	“ <b>Fixed Rate Notes</b> ” bear a fixed interest that will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction under the Conditions as may be agreed between the Issuer and the relevant Dealer.
<b>Floating Rate Notes:</b>	<p>“<b>Floating Rate Notes</b>” will bear interest, according to the Conditions, at a rate determined:</p> <ul style="list-style-type: none"> <li>(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date</li> </ul>

of the first Tranche of the Notes of the relevant Series);

- (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or
- (c) on the basis of a CMS reference rate (“**CMS Linked Notes**”).

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Whether or not a Maximum or Minimum Rate of Interest is specified in the relevant Final Terms, in no event shall the Rate of Interest (including for the avoidance of doubt, as adjusted for any applicable margin) be less than zero.

#### **Inverse Floating Rate Notes**

“**Inverse Floating Rate Notes**” have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR.

#### **Range Accrual Notes:**

The Rate of Interest for Fixed Rate Notes and Floating Rate Notes (including CMS Linked Notes) may be determined by multiplying the applicable Rate of Interest payable from time to time in respect of such Notes by a range accrual factor, as specified in the applicable Final Terms (“**Range Accrual Notes**”).

#### **Inflation Linked Notes:**

Payments of principal and/or interest in respect of “**Inflation Linked Notes**” will be calculated by reference to an Inflation Factor, derived from either:

- (i) the UK Retail Price Index (all items) published by the Office of National Statistics (the “**RPI**”);
- (ii) the non-revised Harmonised Index of Consumer Prices excluding tobacco, or the relevant successor index, measuring the rate of inflation in the European Monetary Union excluding tobacco published by Eurostat (the “**HICP**”);
- (iii) the consumer price index (excluding tobacco) for all households in metropolitan France, as calculated and published monthly by the *Institut National de la Statistique et des Etudes Economiques* (the “**French CPI**”);
- (iv) the consumer price index (excluding tobacco) in Italy, (“Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) senza tabacchi”) published by *Istituto nazionale di statistica* (the “**Italian CPI**”); or

(v) the All Items Consumer Price Index for All Urban Consumers (CPI-U) before seasonal adjustment published by the U.S. Bureau of Labor Statistic (the “**U.S. CPI**”).

**Other provisions in relation to Floating Rate Notes and Inflation Linked Notes:**

Floating Rate Notes (including CMS Linked Notes) and Inflation Linked Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes (including CMS Linked Notes) and Inflation Linked Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.

**Fixed/Floating Rate Notes:**

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

**Zero Coupon Notes:**

“**Zero Coupon Notes**” will be offered and sold at a discount to, or premium over, their nominal amount and will not bear interest.

**Optional Redemption:**

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default or, in the case of Inflation Linked Notes only, for reasons linked to the relevant Index) or that such Notes will be redeemable at the option of the Issuer (either in whole or in part) and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on other terms pursuant to the Conditions. See Condition 9 “Terms and Conditions of the Notes – Redemption and Purchase”.

Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see “*Certain Restrictions–Notes having a maturity of less than one year*” above.

**Make-Whole Redemption:**

If so specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will have the option to redeem the Notes, in whole or in part, at any time or from time to time (but no later than the Initial Residual Maturity Call Option Date, if applicable),

prior to their Maturity Date (as specified in the Final Terms) at the Make-Whole Redemption Amount.

**Residual Maturity Call Option**

If a Residual Maturity Call Option by the Issuer is specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer may redeem the Notes, in whole or in part, at par together with interest accrued to, but excluding, the date fixed for redemption, at any time or from time to time during the period starting on (and including) the Initial Residual Maturity Call Option Date (as specified in the relevant Final Terms) and ending on (but excluding) the Maturity Date.

**Clean-up Call Option:**

If a Clean-up Call Option is specified in the relevant Final Terms, in respect of any issue of Notes, and if 80 percent. or any higher percentage specified in the relevant Final Terms (the “Clean-up Call Percentage”) of the initial aggregate nominal amount of Notes of the same Series (which for the avoidance of doubt include any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer or any of its subsidiaries and, in each case, cancelled, the Issuer may redeem the Notes, in whole but not in part, at their principal amount together with interest accrued to, but excluding, the date fixed for redemption.

**Denomination of Notes:**

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see “*Certain Restrictions–Notes having a maturity of less than one year*” above and save that, if such allowed or required minimum denomination is below €100,000, the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than Euro, the equivalent amount in such currency).

**Taxation:**

All payments in respect of the Notes and any related Coupons shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges imposed or levied by or on behalf of the Republic of France, or any authority therein or thereof, having the power to tax, unless the

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

**Negative Pledge:**

The terms of the Notes will contain a negative pledge provision as further described in Condition 4 (*Negative Pledge*).

**Cross Default:**

The terms of the Notes will contain a cross default provision as further described in Condition 13 (*Events of Default*).

**Rating:**

The Issuer's general long term debt ratings are (P)Baa2 (stable outlook) by Moody's Deutschland GmbH and BBB (stable outlook) by S&P Global Ratings Europe Limited.

The Programme has been rated (P)Baa2 by Moody's Deutschland GmbH (stable outlook) and BBB (stable outlook) by S&P Global Ratings Europe Ltd. Moody's Deutschland GmbH is established in the European Union and registered under the CRA Regulation. S&P Global Ratings Europe Limited is established in the European Union and registered under the CRA Regulation. As such, Moody's Deutschland GmbH and S&P Global Ratings Europe Limited are included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation.

The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme or to the Issuer. A credit rating is not a recommendation to buy, sell or hold Notes and may be revised or withdrawn by the relevant rating agency at any time. Any such revision or withdrawal could adversely affect the market value of the Notes. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating

agency established in the European Union or in the United Kingdom and registered under the CRA Regulation will be disclosed in the applicable Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union or in the United Kingdom and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

**Listing and admission to trading:**

Application may be made to Euronext Paris for Notes issued under this Programme to be admitted to trading on Euronext Paris. Euronext Paris is a Regulated Market for the purposes of MiFID II.

The applicable Final Terms will state on which stock exchanges and/or markets the relevant Notes are to be listed and/or admitted to trading.

**Governing Law:**

The Notes will be governed by, and construed in accordance with, English law (except for the status of the Notes, which is governed by French law).

**Selling Restrictions:**

There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area, the United Kingdom, Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see “*Subscription and Sale and Transfer and Selling Restrictions*”.



## RISK FACTORS

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

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

*The Issuer reasonably believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.*

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

### **Risk factors relating to the Issuer**

Risks relating to the Issuer are described on pages 190 to 197 of the Universal Registration Document 2019, as defined and further described under “*Documents Incorporated by Reference*” in this Base Prospectus, and include the following:

- Risks associated with the Group and its operations, which include the risks associated with the Group’s international operations, and among them, the risks relating to the economic impact of the current coronavirus pandemic which began in China in December 2019 and is causing a global economic crisis and serious economic disruption in many countries where the Group operates. The first- quarter 2020 sales of the Group have been impacted by the pandemic; the Group expects a challenging second quarter 2020 before a recovery in the second half (please see “Recent Developments” section, with the first-quarter 2020 sales press release dated 23 April 2020 and the operational update as of end-May press release dated 4 June 2020). Due to the scale of the current uncertainties surrounding the pandemic, and the very different patterns of recovery from one country to the next, the magnitude of the impact of the coronavirus pandemic on the financial situation, results or prospects of the Group, is presently not ascertainable;
- Group structural risks;
- Financial risks; and
- Legal Risks.

Concerning the financial risks, the Group is exposed to financial risks, and notably a liquidity risk on financing. In particular, in a crisis environment, the Group might be unable to raise the financing or refinancing needed to cover its investment plans on the credit or capital markets, or to obtain such financing or refinancing on acceptable terms.

For more information on the liquidity risk and the other financial risks to which the Group is exposed, please see note 9.1 to the consolidated financial statements for the fiscal year ended

31 December 2019, presented in Chapter 8 of the Universal Registration Document 2019 and reproduced below:

## ***“9.1 Financial risks***

### ***9.1.1 Liquidity risk***

#### ***9.1.1.1 Liquidity risk on financing***

In a crisis environment, the Group might be unable to raise the financing or refinancing needed to cover its investment plans on the credit or capital markets, or to obtain such financing or refinancing on acceptable terms.

The Group’s overall exposure to liquidity risk on its net debt is managed by the Treasury and Financing Department of Compagnie de Saint-Gobain, the Group’s parent company. The subsidiaries generally enter into short or long term financing arrangements with Compagnie de Saint-Gobain or with the regional cash pools.

The Group’s policy is to ensure that the Group’s financing will be rolled over at maturity and to optimize borrowing costs. Long-term debt therefore systematically represents a high percentage of overall debt. At the same time, the maturity schedules of long-term debt are set in such a way that replacement capital market issues are spread over time.

The Group’s main source of long-term financing is constituted by bond issues which generally are issued under the Medium Term Notes program. The Group also uses lease financing, perpetual bonds, participating securities, long-term securitization program, a factoring program and bank borrowings.

Short-term debt is composed of borrowings under Negotiable European Commercial Paper (NEU CP), and occasionally Euro Commercial Paper and US Commercial Paper, but also includes receivables securitization programs and bank financing. Financial assets comprise marketable securities and cash and cash equivalents.

Compagnie de Saint-Gobain’s liquidity position is secured by confirmed syndicated lines of credit. A breakdown of long and short-term debt by type and maturity is provided in note 9.3 to the consolidated financial statements for the fiscal year ended 31 December 2019, presented in Chapter 8 of the Universal Registration Document 2019, which also details the main characteristics of the Group’s financing programs and confirmed credit lines.

Saint-Gobain’s long-term debt issues have been rated BBB with a stable outlook by Standard & Poor’s since April 30, 2014 and Baa2 with a stable outlook by Moody’s since June 2, 2014.

There is no guarantee that the Company will be in a position to maintain its credit risk ratings at current levels. Any deterioration in the Group’s credit risk rating could limit its capacity to raise funds and could lead to higher rates of interest on future borrowings.

#### ***9.1.1.2 Liquidity risk on investments***

Short-term investments consist of bank deposits and mutual fund units. To reduce liquidity and high volatility risks, whenever possible, the Group invests in money market and/or bond funds.

### ***9.1.2 Financial counterparty credit risk***

The Group is exposed to the risk of default by the financial institutions that manage its cash or other financial instruments, since such default could lead to losses for the Group.

The Group limits its exposure to risk of default by its counterparties by dealing solely with reputable financial institutions and regularly monitoring their credit ratings. However, the credit quality of a financial counterparty can change rapidly, and a high credit rating cannot eliminate the risk of a rapid deterioration of its financial position. As a result, the Group's policy in relation to the selection and monitoring of its counterparties is unable to entirely eliminate exposure to a risk of default.

To limit the Group's exposure to counterparty credit risk, the Treasury and Financing Department deals primarily with counterparties with a long-term rating of A- or above from Standard & Poor's or A3 or above from Moody's. Concentrations of credit risk are also closely monitored to ensure that they remain at reasonable levels, taking into account the relative CDS (Credit Default Swap) level of each counterparty.

### 9.1.3 Market risks

#### 9.1.3.1 Energy and commodity risk

The Group is exposed to changes in the price of the energy it consumes and the raw materials used in its activities. Its energy and commodity hedging programs may be insufficient to protect the Group against significant or unforeseen price swings that could result from the prevailing financial and economic environment.

The Group may limit its exposure to energy price fluctuations by using swaps and options to hedge part of its fuel oil, natural gas and electricity purchases. The swaps and options are mainly contracted in the functional currency of the entities concerned. Hedges of fuel oil, gas and electricity purchases are contracted in accordance with the Group's purchasing policy.

These hedges (excluding fixed-price purchases negotiated directly with suppliers by the Purchasing Department) are generally arranged by the Group Treasury and Financing Department (or with regional treasury departments) in accordance with instructions received from the Purchasing Department.

From time to time, the Group may enter into contracts to hedge purchases of certain commodities or engage in the CO2 emissions market, in accordance with the same principles as those outlined above for energy purchases.

Note 9.4 to the consolidated financial statements for the fiscal year ended 31 December 2019, presented in Chapter 8 of the Universal Registration Document 2019 provides a breakdown of instruments used to hedge energy and commodity risks.

#### 9.1.3.2 Interest risk

The Group's overall exposure to interest rate risk on consolidated debt is managed by the Treasury and Financing Department of Compagnie de Saint-Gobain.

The Group's policy is aimed at fixing the cost of its medium-term debt against interest rate risk and optimizing borrowing costs. According to Group policy, the derivative financial instruments used to hedge these risks can include interest rate swaps, cross-currency swaps, options – including caps, floors and swaptions – and forward rate agreements.

The table below shows the sensitivity at 31 December 2019 of pre-tax income and pre-tax equity to fluctuations in the interest rate on the Group's net debt after hedging:

<i>(in EUR million)</i>	<b>Impact on pre-tax income</b>	<b>Impact on pre-tax equity</b>
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Interest rate increase of 50 basis points	13	11
Interest rate decrease of 50 basis points	(13)	(11)

Note 9.4 to the consolidated financial statements for the fiscal year ended 31 December 2019, presented in Chapter 8 of the Universal Registration Document 2019, provides a breakdown of interest rate risk hedging instruments and of gross debt by type of interest (fixed or variable) after hedging.

### 9.1.3.3 Foreign exchange risk

The currency hedging policies described below could be insufficient to protect the Group against unexpected or sharper than expected fluctuations in exchange rates resulting from economic and financial market conditions.

Foreign exchange risks are managed by hedging virtually all transactions entered into by Group entities in currencies other than the functional currency of the particular entity. Compagnie de Saint-Gobain and its subsidiaries may use forward contracts and options to hedge exposures arising from current and forecast transactions.

The subsidiaries set up contracts generally through the Group's parent company, Compagnie de Saint-Gobain, which then carries out the corresponding forex hedging transaction on their behalf, or through the regional cash pools. Failing this, contracts are taken out with one of the subsidiary's banks.

Most forward contracts have short maturities of around three months. However, forward contracts taken out to hedge firm orders may have longer terms.

The Group monitors its exposure to foreign exchange risk using a monthly reporting system that captures the foreign exchange positions taken by its subsidiaries. At 31 December 2019, 98% of the Group's foreign exchange exposure eligible for hedging was hedged. The residual net foreign exchange exposure of subsidiaries for the currencies presented below was as follows at 31 December 2019:

<i>(in EUR millions equivalent)</i>	<b>Long</b>	<b>Short</b>
EUR	2	11
USD	7	9
Other currencies	0	2
<b>TOTAL</b>	<b>9</b>	<b>22</b>

The table below gives an analysis, as of 31 December 2019, of the sensitivity of the Group's pre-tax income to a 10% increase in the exchange rates of the following currencies given the subsidiaries' residual net foreign exchange exposure:

<i>Currency in exposure (in EUR millions equivalent)</i>	<b>Impact on pre-tax income</b>
EUR	(0.9)
USD	(0.2)
Other currencies	(0.2)

Assuming that all other variables remained unchanged, a 10% fall in the exchange rates for these currencies at 31 December 2019 would have the opposite impact.

Note 9.4 to the consolidated financial statements for the fiscal year ended 31 December 2019, presented in Chapter 8 of the Universal Registration Document 2019, provides a breakdown of foreign exchange risk hedging instruments.

#### 9.1.3.4 Saint-Gobain share price risk

The Group is exposed to changes in the Saint-Gobain share price as a result of its performance unit incentive plans. To reduce its exposure to fluctuations in the share price, the Group uses hedging instruments such as equity swaps.

As a result, if the price of the Saint-Gobain share changes, any changes in the expense recorded in the income statement will be fully offset by the hedges in place.

Note 9.4 to the consolidated financial statements for the fiscal year ended 31 December 2019, presented in Chapter 8 of the Universal Registration Document 2019, provides a breakdown of these share price risk hedging instruments.”

Furthermore, please note that the Group has also recently strengthened its liquidity. As announced in the press release dated 23 April 2020 (presented in the section “*Recent Developments*” of this Base Prospectus), at 31 March 2020, the Group’s cash and cash equivalents represented an estimated €3.8 billion, before taking into account the €1.5 billion bond issue at the end of March 2020 (proceeds received on 3 April 2020). In light of the current environment, the Group also recently reinforced its financing sources:

- A €1.5 billion bond issue on 26 March 2020, consisting of €750 million with a 3 year maturity and a 1.75% coupon, and €750 million with a 7½ year maturity and a 2.375% coupon;
- A syndicated credit line totaling €2.0 billion, including €1.0 billion drawn for a bond repayment of the same amount at the end of March 2020, in addition to the confirmed and undrawn back-up credit lines of €4.0 billion;
- Access to the new commercial paper Pandemic Emergency Purchase Program (PEPP) launched by the European Central Bank on 18 March 2020.

### **Risk factors relating to the Notes**

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

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for Noteholders. Set out below is a description of the most material risks associated with such features:

### ***1.1 Early redemption risks***

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

The Final Terms for a particular issue of Notes may provide for early redemption at the option of the Issuer (including the Clean-up Call Option, the Residual Maturity Call Option and the Make-Whole Redemption by the Issuer); if such early redemption option is exercised by the Issuer, the Noteholders will be given not less than 15 nor more than 30 days' notice.

Such right of redemption is often provided for bonds or notes in periods of high interest rates. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right of redemption increases. As a consequence, the yields received upon redemption may be lower than expected, and the amount thus paid on redemption of the Notes (purchased in the secondary market) may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

The Issuer has the option to exercise, in whole or in part, the Make-Whole Redemption at the relevant Make-Whole Redemption Amount, as provided in Condition 9.3 of the Terms and Conditions of the Notes. In addition, if a Residual Maturity Call Option (Condition 9.4) is specified in the relevant Final Terms, the Issuer may redeem the Notes, in whole or in part, at par together with interest accrued to, but excluding, the date fixed for redemption, at any time during the period starting on (and including) the Initial Residual Maturity Call Option Date and ending on (but excluding) the Maturity Date. During a period when the Issuer may elect, or has elected, to redeem Notes, such Notes may feature a market value not substantially above the price at which they can be redeemed.

With respect to the Clean-up Call Option provided for in Condition 9.5 of the Terms and Conditions of the Notes, pursuant to which the Issuer may redeem Notes at their principal amount together with interest accrued (to, but excluding, the date fixed for redemption), there is no obligation for the Issuer to inform Noteholders if and when the Clean-up Call Percentage (specified in the relevant Final Terms) has been reached or is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the clean-up call option, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

#### *Partial redemption of Notes at the option of the Issuer or at the option of the Noteholders*

Exercise of the Make-Whole Redemption as provided in Condition 9.3, the Residual Maturity Call Option as provided in Condition 9.4, the Call Option as provided in Condition 9.6, the Investor Put as provided in Condition 9.7, or the Put Option in case of a Change of Control as provided in Condition 10, of the Terms and Conditions of the Notes, in respect of certain Notes only may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised.

Depending on the number of Notes of the same Series in respect of which such option is not exercised, any trading market in respect of these Notes may become illiquid which, depending on the extent of the illiquidity, may have a direct and significant impact on any remaining Noteholders seeking to dispose of their Notes.

## ***1.2 Interest rate risks***

### *Fixed Rate Notes*

Condition 6.1 of the Terms and Conditions of the Notes allows for Fixed Rate Notes to be issued. Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the market value of the relevant Tranche of Notes. In particular, a holder of a Note which pays interest at a fixed rate, is exposed to the risk that the market value of such Note could fall as a result of changes in the market interest rate. While the nominal interest rate of the fixed rate Notes is fixed during the term of such Notes, the current interest rate on the capital markets (“**market interest rate**”) typically varies on a daily basis. As the market interest rate changes, the market value of the Fixed Rate Notes would typically change in the opposite direction. If the market interest rate increases, the market value of the Fixed Rate Notes would typically fall, until the yield of such Notes is approximately equal to the market interest rate. If the market interest rate falls, the market value of the Notes would typically increase, until the yield of such Notes is approximately equal to the market interest rate. It is difficult to anticipate future market volatility in interest rates, but any such volatility may have a significant adverse effect on the price of the Notes and cause Noteholders who sell Notes on the secondary market to lose part of their initial investment.

### *Floating Rate Notes*

Condition 6.2 of the Terms and Conditions of the Notes allows for Floating Rate Notes to be issued. Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. The market value of Floating Rate Notes may be volatile if changes, particularly short-term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate. Market volatility in interest rates, which is difficult to anticipate, may therefore have a significant adverse effect on the yield, the market value and/or the liquidity of the Floating Rate Notes. The interest amount payable on any Interest Payment Date may be different from the amount payable on the initial or previous Interest Payment Date and may negatively impact the return under the Notes and result in a reduced market value of the Notes if a Noteholder were to dispose of its Notes.

### *Inverse Floating Rate Notes*

Condition 6.2 of the Terms and Conditions of the Notes allows for Inverse Floating Rate Notes to be issued. Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market value of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes. Market volatility in interest rates, which is difficult to anticipate, may therefore have a significant adverse effect on the yield, the market value and/or the liquidity of the Inverse Floating Rate Notes and Noteholders could receive a lower or no interest on such Notes.

### *Fixed/Floating Rate Notes*

Condition 6.2(e) of the Terms and Conditions of the Notes allows for Fixed/Floating Rate Notes to be issued. Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the Final Terms from a fixed rate to a floating rate, or from a floating rate to a fixed rate or (ii) that will automatically convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate on the date set out in the Final Terms. The conversion (whether it be automatic or optional) of the interest rate may affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes and any such volatility may have a significant adverse effect on the market value of the Fixed/Floating Rate Notes.

### *Notes issued at a substantial discount or premium*

The relevant Final Terms of a Tranche of Notes will specify the relevant issue price. The market values of Notes issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities. Therefore, holders of Notes issued at a substantial discount or premium could be exposed to greater losses on their investment than holders of conventional interest-bearing securities.

### *Negative yield*

The relevant Final Terms of a Tranche of Notes will specify the relevant issue price. In cases where an investor purchases Notes at an issue price that is higher than or equal to the sum of the redemption amount and any interest payments on the Notes, such investor may also face the risk of no yield or a negative yield in relation to such Notes.

### *Range Accrual Notes*

Condition 6.2(d) of the Terms and Conditions of the Notes allows for Range Accrual Notes to be issued. Range Accrual Notes are Notes which pay interest linked to the performance of the reference asset(s) that accrues only on days during a pre-set period on which the performance of the reference asset(s) is within a certain pre-determined range. Consequently, the interest payable will be lower where the performance of the reference asset(s) was trading outside the pre-determined range during such interest period (dependent on the amount of days the reference asset is outside the pre-determined range), and may be zero depending on the terms of the Notes, which may have a material adverse effect on the market value of such Range Accrual Notes.

The market value of the Range Accrual Notes may be adversely affected by rising implied volatility of the reference asset(s) or movements in the performance of such reference asset(s) which indicate that the performance of the reference asset(s) will be outside the pre-determined range during a relevant period. The market value of the Notes may also be affected by the absolute amount of interest payable on the Notes.

### *Inflation Linked Notes*



Condition 6.2 of the Terms and Conditions of the Notes allows for Inflation Linked Notes to be issued. Inflation Linked Notes differ from ordinary debt securities and the market price of such Notes may be volatile since inflation indexes may go down as well as up. Where Notes in respect of which the amount of interest payable is subject to adjustment by reference to movements in an inflation index are issued, a decrease in such inflation index over the reference period will reduce the amount of interest payable in respect of such Notes. In a deflationary environment, the annual interest received may be lower than the rate of interest specified in the applicable Final Terms, which would affect the market value of such Inflation Linked Notes. Where the amount payable upon redemption of the Notes is subject to adjustment by reference to movements in an inflation index, a decrease in the specified inflation index over the reference period may reduce the amount to be repaid upon redemption of the Notes to less than the nominal amount of the Notes. Noteholders are thus exposed to the risk that changes in the levels of the inflation index may adversely affect the market value of Inflation Linked Notes and as a result, Noteholders could lose the value of their entire investment or part of it.

The future performance of the relevant inflation index during the term of any Inflation Linked Notes may differ from their historical performance and may have a negative impact on the trading or market value of such Inflation Linked Notes.

*Changes in the method by which LIBOR, EURIBOR or other Benchmarks are determined, or the discontinuation of any benchmark, may adversely affect the rate of interest on or value of the Benchmark Notes*

In accordance with Condition 6.2 of the Terms and Conditions of the Notes, the rate of interest in respect of Floating Rate Notes or Inverse Floating Rate Notes (collectively, the “**Benchmark Notes**”) may be calculated on the basis of the London Interbank Offered Rate (“**LIBOR**”), the Euro Interbank Offered Rate (“**EURIBOR**”) or any other reference rate specified in the relevant Final Terms (any such reference rate, a “**Benchmark**”), or by reference to a swap rate that is itself based on a Benchmark. Accordingly, changes in the method by which any Benchmark is calculated or the discontinuation of any Benchmark may impact the rate of interest applicable to Benchmark Notes bearing interest on the basis of such Benchmark, and thus their value.

LIBOR, EURIBOR and other Benchmarks are subject to national and international regulatory reforms. Some of these reforms are already effective while others are still to be implemented. Following the implementation of any such reforms, the manner of the administration or determination of such Benchmarks may change with the result that they may perform differently than in the past, or their calculation method may be revised, or they could be eliminated entirely. More broadly, any international or national reforms, or the general increased regulatory scrutiny of Benchmarks, could increase the cost and risks of administering or otherwise participating in the setting of such Benchmarks and complying with any such regulations or requirements. Any of these changes could have a negative impact on the value of and return on Benchmark Notes.

In June 2016, the European Union adopted Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**Benchmark Regulation**”). It provides, among other things, that administrators of benchmarks in the European Union (such as ICE Benchmark Administration Limited and the European Money Market Institute, which currently administer LIBOR and EURIBOR, respectively) must be authorised by or registered with regulators, and that they must comply with a code of conduct designed primarily to ensure reliability of input data, governing issues such as conflicts of interest, internal controls and benchmark methodologies.

The Benchmark Regulation could have a negative impact on the value of and return on Benchmark Notes, in particular, if the terms of any applicable Benchmark are changed in order to comply with the requirements of the Benchmark Regulation.

Following the withdrawal of the United Kingdom from the European Union on 31 January 2020, Benchmark administrators in the United Kingdom will be required to comply with the Benchmark Regulation during the transition period instituted by the Withdrawal Agreement and ending on 31 December 2020 (unless extended), and will also be required to comply with U.K. national requirements. U.K. national requirements may have a particularly significant impact on the calculation of LIBOR or whether LIBOR continues to exist as a Benchmark. On 27 July 2017, the U.K. Financial Conduct Authority (the “FCA”) announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR after 2021. The FCA announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

It is not possible to predict the effect of any reforms to LIBOR, EURIBOR or any other Benchmark. Changes in the methods pursuant to which LIBOR, EURIBOR or any other Benchmark is determined, or the announcement that a Benchmark will be replaced with a successor or alternative rate, or the permanent discontinuation of a Benchmark, could result in a sudden or prolonged increase or decrease in the reported values of such Benchmark, increased volatility or other effects. If this were to occur, it could have an adverse impact on the Group’s ability to service the Benchmark Notes. The rate of interest on and the trading value of the Benchmark Notes could also be adversely affected due to the uncertainty regarding the future of or changes to the Benchmarks. In addition, the risk that it becomes unlawful or impermissible (for regulatory reasons) for either the Calculation Agent or the Issuer to determine or use such Benchmark cannot be excluded.

*If LIBOR, EURIBOR or any other Benchmark is discontinued, the rate of interest on the affected Benchmark Notes will be changed in ways which may be adverse to the Noteholders, without any requirement that the consent of such Noteholders be obtained*

Where screen rate determination is specified as the manner in which the rate of interest in respect of Floating Rate Notes is to be determined, and LIBOR, EURIBOR or another reference rate has been selected as the Reference Rate, Condition 6.2(b)(ii)(A) of the Terms and Conditions of the Notes provides that the rate of interest shall be determined by reference to the relevant screen page (or its successor or replacement). In circumstances where the original reference rate is discontinued, neither the relevant screen page, nor any successor or replacement may be available.

Where the relevant screen page is not available, and no successor or replacement for the relevant screen page is available, Condition 6.2(b)(ii)(B) of the Terms and Conditions of the Notes provides for the rate of interest to be determined by the Calculation Agent by reference to quotations from banks communicated to the Calculation Agent.

Where such quotations are not available (as may be the case if the relevant banks are not submitting rates for the determination of such original reference rate), the rate of interest may ultimately revert to the rate of interest applicable as at the last preceding interest determination date before the original reference rate was unavailable (and solely in the context that such unavailability does not qualify as a benchmark event). Uncertainty as to the continuation of such original reference rate, the availability of quotes from reference banks, and the rate that would be applicable if such original reference rate is unavailable may adversely affect the value of, and return on, the Floating Rate Notes.

If a benchmark event (as defined in Condition 6.2(b)(iii) of the Terms and Conditions of the Notes) (which, amongst other events, includes the permanent discontinuation of an original reference rate) occurs, the Issuer shall use its reasonable endeavours to appoint an independent adviser. The independent adviser shall endeavour to determine a successor rate or alternative rate to be used in place of the original reference rate. The use of any such successor rate or alternative rate to determine the rate of interest will result in Notes linked to or referencing the original reference rate performing differently (which may include payment of a lower rate of interest) than they would do if the original reference rate were to continue to apply in its current form.

Furthermore, if a successor rate or alternative rate for the original reference rate is determined by the independent adviser, Condition 6.2(b)(iii)(D) of the Terms and Conditions of the Notes provide that the Issuer may vary the Terms and Conditions of the Notes, as necessary to ensure the proper operation of such successor rate or alternative rate, without any requirement for consent or approval of the Noteholders.

If a successor rate or alternative rate is determined by the independent adviser, the Terms and Conditions of the Notes also provide that an adjustment spread may be determined by the independent adviser and applied to such successor rate or alternative rate. The aim of the adjustment spread is to reduce or eliminate, to the extent reasonably practicable, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the original reference rate with the successor rate or the alternative rate. However, it may not be possible to determine or apply an adjustment spread and even if an adjustment spread is applied, such adjustment spread may not be effective to reduce or eliminate economic prejudice to Noteholders and Couponholders. If no adjustment spread can be determined, a successor rate or alternative rate may nonetheless be used to determine the rate of interest. The use of any successor rate or alternative rate (including with the application of an adjustment spread) will still result in Notes linked to or referencing the original reference rate performing differently (which may include payment of a lower rate of interest) than they would if the original reference rate were to continue to apply in its current form.

The Issuer may be unable to appoint an independent adviser or the independent adviser may not be able to determine a successor rate or alternative rate in accordance with the Terms and Conditions of the Notes.

Where the Issuer is unable to appoint an independent adviser in a timely manner, or the independent adviser is unable, to determine a successor rate or alternative rate before the next interest determination date, the rate of interest for the next succeeding interest period will be the rate of interest applicable as at the last preceding interest determination date before the occurrence of the benchmark event, or, where the benchmark event occurs before the first interest determination date, the rate of interest will be the initial rate of interest.

Where the Issuer has been unable to appoint an independent adviser or, the independent adviser has failed, to determine a successor rate or alternative rate in respect of any given interest period, it will continue to attempt to appoint an independent adviser in a timely manner before the next succeeding interest determination date and/or to determine a successor rate or alternative rate to apply the next succeeding and any subsequent interest periods, as necessary.

Applying the initial rate of interest, or the rate of interest applicable as at the last preceding interest determination date before the occurrence of the benchmark event will result in Notes linked to or referencing the relevant benchmark performing differently (which may include payment of a lower rate of interest) than they would do if the relevant benchmark were to continue to apply, or if a successor rate or alternative rate could be determined.

If the Issuer is unable to appoint an independent adviser or, the independent adviser fails to determine a successor rate or alternative rate for the life of the relevant Notes, the initial rate of interest, or the rate of interest applicable as at the last preceding interest determination date before the occurrence of the benchmark event, will continue to apply to maturity. This will result in the Floating Rate Notes, in effect, becoming Fixed Rate Notes. Noteholders may, in such circumstances, be materially affected and receive a lower interest as they would have expected if an independent adviser had been determined or if such independent adviser did not fail to determine such successor or alternative rate.

## **2. Risks related to Notes generally**

### *Credit Risk*

An investment in the Notes involves taking credit risk on the Issuer. If the credit worthiness of the Issuer deteriorates, the potential impact on the Noteholders could be significant: (i) the Issuer may not be able to fulfil all or part of its payment obligations under the Notes and (ii) the value of the Notes may decrease, and Noteholders may lose all or part of their investment.

### *Modification, waivers and substitution*

Condition 18 of the Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally, including without limitation the modification of the Notes. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. In the event where a decision to modify the Notes would be adopted by a defined majority of Noteholders and such modifications would impair or limit the rights of the Noteholders, this may have a negative impact on the market value of the Notes. However, it remains unlikely that a defined majority of Noteholders adopt a decision that would have a negative impact on the market value of the Notes since it would be against their own interest.

### *Trading in the clearing systems*

In relation to any issue of Notes which have a minimum denomination and are tradeable in the clearing systems in amounts above such minimum denomination which are smaller than it, should definitive Notes be required to be issued, a Noteholder who does not have an integral multiple of the minimum denomination in his account with the relevant clearing system at the relevant time may not receive all of his entitlement in the form of definitive Notes unless and until such time as his holding becomes an integral multiple of the minimum denomination. In such circumstances, the market value of the Notes may be negatively affected and such Noteholder may lose all or part of his investment. See Condition 1 “*Form, Currency, Denomination and Title*” of the Terms and Conditions of the Notes.

## **3. Risks related to the trading market of the Notes**

### *Risks related to the secondary market*

Application may be made to Euronext Paris for Notes issued under this Programme to be admitted to trading on Euronext Paris. Notes may have no established trading market when issued, and there can be no assurance that an active trading market will develop in the future. If a market does develop, it may not be very liquid and the Notes may trade at a discount to their initial offering price depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Therefore, there is a significant risk that Noteholders will not be able to sell their Notes easily or at prices

that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

*Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Notes in the currency specified in the applicable Final Terms (the “**Specified Currency**”), in accordance with Condition 1 of the Terms and Conditions of the Notes. This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (1) the Investor’s Currency-equivalent yield on the Notes, (2) the Investor’s Currency-equivalent value of the principal payable on the Notes and (3) the Investor’s Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. If such risk were to materialise, Noteholders may receive less interest or principal than expected, or no interest or principal. This may result in a significant loss on any capital invested from the perspective of a Noteholder whose domestic currency is not the Specified Currency.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the sections set out in the cross-references tables below from the following documents:

- the *document d'enregistrement universel* in the French language of the Issuer which received a registration number n° D.20-0161 from the AMF on 23 March 2020 (the "**Universal Registration Document 2019**") (available on [https://www.saint-gobain.com/sites/sgcom.master/files/deu\\_2019\\_-\\_compagnie\\_de\\_saint-gobain\\_-\\_fr\\_0.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/deu_2019_-_compagnie_de_saint-gobain_-_fr_0.pdf));
- the *document de référence* in the French language of the Issuer which received a registration number n° D.19-153 from the AMF on 15 March 2019, except for the third paragraph of the section "*Attestation de la personne responsable du Document de référence incluant le Rapport financier annuel*" on page 323 (the "**Registration Document 2018**") (available on [https://www.saint-gobain.com/sites/sgcom.master/files/ddr\\_2018\\_-\\_saint-gobain\\_-\\_vf.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/ddr_2018_-_saint-gobain_-_vf.pdf)); and
- the terms and conditions of the notes contained in:
  - the base prospectus of the Issuer dated 11 April 2019 (the "**2019 EMTN Conditions**") (available on: [https://www.saint-gobain.com/sites/sgcom.master/files/2019\\_04\\_11\\_base\\_prospectus.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/2019_04_11_base_prospectus.pdf));
  - the base prospectus of the Issuer dated 13 July 2018 (the "**2018 EMTN Conditions**") (available on: [https://www.saint-gobain.com/sites/sgcom.master/files/2018\\_07\\_13\\_base\\_prospectus.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/2018_07_13_base_prospectus.pdf));
  - the base prospectus of the Issuer dated 12 July 2017 (the "**2017 EMTN Conditions**") (available on: [https://www.saint-gobain.com/sites/sgcom.master/files/2017\\_07\\_12\\_base\\_prospectus.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/2017_07_12_base_prospectus.pdf));
  - the base prospectus of the Issuer dated 27 July 2016 (the "**2016 EMTN Conditions**") (available on: [https://www.saint-gobain.com/sites/sgcom.master/files/2016\\_07\\_27\\_base\\_prospectus.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/2016_07_27_base_prospectus.pdf));
  - the base prospectus of the Issuer dated 17 July 2015 (the "**2015 EMTN Conditions**") (available on: [https://www.saint-gobain.com/sites/sgcom.master/files/2015\\_07\\_17\\_base\\_prospectus.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/2015_07_17_base_prospectus.pdf));
  - the base prospectus of the Issuer dated 17 July 2014 (the "**2014 EMTN Conditions**") (available on: [https://www.saint-gobain.com/sites/sgcom.master/files/2014\\_07\\_17\\_base\\_prospectus.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/2014_07_17_base_prospectus.pdf));
  - the base prospectus of the Issuer dated 17 July 2013 (the "**2013 EMTN Conditions**") (available on: [https://www.saint-gobain.com/sites/sgcom.master/files/2013\\_07\\_17\\_base\\_prospectus.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/2013_07_17_base_prospectus.pdf));
  - the base prospectus of the Issuer dated 19 September 2012 (the "**2012 EMTN Conditions**") (available on:

- [https://www.saint-gobain.com/sites/sgcom.master/files/2012\\_07\\_19\\_base\\_prospectus.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/2012_07_19_base_prospectus.pdf)); and
- the base prospectus of the Issuer dated 20 July 2011 (the “**2011 EMTN Conditions**”) (available on: [https://www.saint-gobain.com/sites/sgcom.master/files/2011\\_07\\_20\\_base\\_prospectus.pdf](https://www.saint-gobain.com/sites/sgcom.master/files/2011_07_20_base_prospectus.pdf)),

the documents referred to above being together defined the “**EMTN Previous Conditions**”.

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

Copies of the documents incorporated by reference in this Base Prospectus may be obtained, free of charge, from (i) the website of the Issuer ([www.saint-gobain.com/fr/finance](http://www.saint-gobain.com/fr/finance)), (ii) the registered office of the Issuer or (iii) from the offices of the Paying Agent set out at the end of this Base Prospectus during normal business hours.

The Universal Registration Document 2019 and the Registration Document 2018 are also available on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)).

The documents incorporated by reference have been filed with the AMF.

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross-reference list below.

Any information not listed in the cross-reference list below but included in the documents incorporated by reference shall not form part of this Base Prospectus. Such information is either (i) not considered by the Issuer to be relevant for prospective investors in the Notes or (ii) covered elsewhere in this Base Prospectus. Such information shall be considered as additional information, not required by the schedules of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation.

The information on the website of the Issuer does not form part of this Base Prospectus (unless that information is incorporated by reference into this Base Prospectus) and has not been scrutinised or approved by the AMF.

The English translations of the Universal Registration Document 2019 and the Registration Document 2018 are available on the website of the Issuer (<https://www.saint-gobain.com/en/finance/regulated-information/universal-registration-document-including-annual-financial-report>). Such English translations are available for information purposes only and are not incorporated by reference in this Base Prospectus.

Only the French versions of the Universal Registration Document 2019 and the Registration Document 2018 may be relied upon.

Prospectus Regulation –Annex VII		Universal Registration Document 2019	Registration Document 2018
<b>3</b>	<b>RISK FACTORS</b>	Pages 190 to 198	Pages 178 to 186
<b>4</b>	<b>INFORMATION ABOUT THE ISSUER</b>		
4.1	<b><u>History and development of the Issuer:</u></b>		
4.1.1	The legal and commercial name of the Issuer.	Pages 11 and 336	
4.1.2	The place of registration of the Issuer and its registration number and legal entity identifier (“LEI”).	Pages 225 and 336	
4.1.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite.	Page 336	
4.1.4	the domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the Base Prospectus unless that information is incorporated by reference into the Base Prospectus.	Page 336	
4.1.5	Any recent events particular to the Issuer and which are to a material extent relevant to the evaluation of the Issuer’s solvency.	Pages 11 to 13 and 103	
4.1.6	Credit ratings assigned to the issuer at the request or with the cooperation of the issuer in the rating process.	Page 279	
<b>5</b>	<b>BUSINESS OVERVIEW</b>		
5.1	<b><u>Principal activities:</u></b>		
5.1.1	A brief description of the Issuer's principal activities stating the main categories of products sold and/or services performed.	Pages 6 to 9, 14 to 21, 24 to 25 and 28 to 55	
5.2	The basis for any statements made by the Issuer regarding its competitive position.	Pages 18 and 21	



Prospectus Regulation –Annex VII		Universal Registration Document 2019	Registration Document 2018
<b>6</b>	<b>ORGANISATIONAL STRUCTURE</b>		
6.1	If the Issuer is part of a group, a brief description of the group and of the Issuer's position within the group.	Pages 7, 11, 291 to 293, 306, 320 to 321 and 331 to 332	
<b>7</b>	<b>TREND INFORMATION</b>	Page 104	
<b>9</b>	<b>ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES</b>		
9.1	Names, business addresses and functions within the Issuer of the following persons, and an indication of the principal activities performed by them outside of the Issuer where these are significant with respect to that Issuer:  (a) members of the administrative, management or supervisory bodies;  (b) partners with unlimited liability, in the case of a limited partnership with a share capital.	Pages 22 to 23 and 122 to 128	
9.2	<u><b>Administrative, management, and supervisory bodies conflicts of interests</b></u>  Potential conflicts of interests between any duties to the Issuer of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.	Pages 131 to 132	
<b>10</b>	<b>MAJOR SHAREHOLDERS</b>		
10.1	To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.	Pages 9 and 221 to 224	
<b>11</b>	<b>FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>		
11.1	<u><b>Historical financial information</b></u>		

Prospectus Regulation –Annex VII		Universal Registration Document 2019	Registration Document 2018
11.1.1	Historical financial information covering the latest two financial years (at least 24 months) or such shorter period as the issuer has been in operation.	Pages 234 to 293	Pages 216 to 272
11.2	<b><u>Auditing of historical financial information</u></b>	Pages 294 to 299	Pages 273 to 278
11.3	<b><u>Legal and arbitration proceedings</u></b> Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	Pages 194 to 197, 274 to 278 and 323 to 326	

The EMTN Previous Conditions are incorporated by reference in this Base Prospectus solely for the purpose of further issues of Notes so that the same shall be consolidated and form a single series with the outstanding Notes (i.e. tap issues of existing Notes).

<b>EMTN Previous Conditions</b>	
2011 EMTN Conditions .....	Pages 40 to 69
2012 EMTN Conditions .....	Pages 40 to 78
2013 EMTN Conditions .....	Pages 41 to 77
2014 EMTN Conditions .....	Pages 42 to 78
2015 EMTN Conditions .....	Pages 62 to 121
2016 EMTN Conditions .....	Pages 63 to 121
2017 EMTN Conditions .....	Pages 64 to 123
2018 EMTN Conditions .....	Pages 69 to 130
2019 EMTN Conditions .....	Pages 32 to 89

## **PROSPECTUS SUPPLEMENTS**

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to the provisions of Article 23 of the Prospectus Regulation and Article 18 of Commission Delegated Regulation (EU) 2019/979, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus, which shall constitute a supplement to this Base Prospectus for the purpose of the relevant provisions of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus. Such supplement to this Base Prospectus will be submitted to the AMF for approval.

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

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions.*

*The applicable Final Terms in respect of Notes (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Form of Final Terms” in respect of Notes for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

References herein to the Notes shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global note (a “**Global Note**”), units of the lowest Specified Denomination in the Specified Currency;
- (b) any Global Note;
- (c) any definitive Notes in bearer form (Bearer Notes) issued in exchange for a Global Note in bearer form; and
- (d) any definitive Notes in registered form (Registered Notes) (whether or not issued in exchange for a Global Note in registered form).

The Notes and the Coupons (as defined below) have the benefit of the agency agreement (as amended and/or supplemented and/or restated from time to time, the “**Agency Agreement**”) dated 13 October 2006, as amended and restated on 17 July 2015, 7 September 2016, 11 April 2019 and 9 June 2020, and made between Compagnie de Saint-Gobain (the “**Issuer**”), Deutsche Bank AG, London Branch, as issuing and principal paying agent and agent bank (the “**Agent**”, which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the “**Paying Agents**”, which expression shall include any additional or successor paying agents); Deutsche Bank AG, London Branch, as exchange rate agent (the “**Exchange Rate Agent**”, which expression shall include any successor exchange rate agent) and Deutsche Bank Luxembourg S.A. as registrar (the “**Registrar**”, which expression shall include any successor registrar) and Deutsche Bank AG, London Branch, as a transfer agent and the other transfer agents named therein (together with the Registrar, the “**Transfer Agents**”, which expression shall include any additional or successor transfer agents).

Interest-bearing definitive Bearer Notes have interest coupons (“**Coupons**”) and, if indicated in the applicable Final Terms, talons for further Coupons (“**Talons**”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered and Global Notes do not have Coupons or Talons attached on issue.

The relevant final terms for each issue of the Notes (or the relevant provisions thereof) are set out in Part A of the applicable Final Terms, which supplement these terms and conditions (the “**Conditions**”) and specify the applicable terms and conditions of the relevant Notes pursuant to the Conditions. References to the applicable Final Terms are references to Part A of the Final Terms (or the relevant provisions thereof).

Any reference to “**Noteholders**” or “**holders**” in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in

whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to “**Couponholders**” shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing and admission to trading) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant (as amended and restated from time to time, the “**Deed of Covenant**”) dated 9 June 2020 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream Banking S.A., Luxembourg (as defined below).

Copies of the Agency Agreement, a deed poll (as amended and/or supplemented and/or restated from time to time, the “**Deed Poll**”) dated 9 June 2020 and made by the Issuer and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Agent, the Registrar and the other Paying Agents and Transfer Agents (such Agents and the Registrar being together referred to as the “**Agents**”). Copies of the applicable Final Terms may be obtained from Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

The following legend will appear on all Bearer Notes which have an original maturity of more than 365 days and on all interest coupons relating to such Notes: “ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE”.

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or interest coupons.

## **1. FORM, CURRENCY, DENOMINATION AND TITLE**

The Notes are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

The Notes may be Fixed Rate Notes, Floating Rate Notes (including CMS Linked Notes), Inverse Floating Rate Notes, Fixed/Floating Rate Notes, Range Accrual Notes, Inflation

Linked Notes, or Zero Coupon Notes, or a combination of any of the foregoing, depending upon the interest basis shown in the applicable Final Terms. The Specified Denomination of the Notes may be Euro, Sterling, U.S. dollar, Yen and, subject to any applicable legal or regulatory restrictions, any other currency agreed between the Issuer and the relevant Dealer and provided for in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer and any Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV as operator of the Euroclear System (“**Euroclear**”) and/or Clearstream Banking, *société anonyme* (“**Clearstream Banking S.A., Luxembourg**”), each person (other than Euroclear or Clearstream Banking S.A., Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream Banking S.A., Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream Banking S.A., Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note (as defined below) shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

For so long as the Depository Trust Company (“**DTC**”) or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and the Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream Banking S.A., Luxembourg, as the case may be. References to DTC, Euroclear and/or Clearstream Banking S.A., Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

The Registered Notes of each Tranche sold to Institutional Accredited Investors will be in definitive form, registered in the name of the holder thereof (“**Definitive IAI Registered Notes**”). Unless otherwise set forth in the applicable Final Terms, Definitive IAI Registered Notes will be issued only in minimum denominations of U.S.\$500,000 and integral multiples of U.S.\$1,000 in excess thereof (or the approximate equivalents in the applicable Specified

Currency). Definitive IAI Registered Notes will be subject to the restrictions on transfer set forth therein and will bear the restrictive legend described under “*Subscription and Sale and Transfer and Selling Restrictions*”. Institutional Accredited Investors that hold Definitive IAI Registered Notes may not elect to hold such Notes through DTC, but transferees acquiring the Notes in transactions exempt from Securities Act registration pursuant to Regulation S or Rule 144 under the Securities Act (if available) may do so upon satisfaction of the requirements applicable to such transfer as described under “*Subscription and Sale and Transfer and Selling Restrictions*”. The Rule 144A Global Note (as defined below) and the Definitive IAI Registered Notes will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

## **2. TRANSFERS OF REGISTERED NOTES**

### **(a) Transfers of Interests in Registered Global Notes**

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream Banking S.A., Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream Banking S.A., Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement. Transfers of a Registered Global Note registered in the name of a nominee for DTC shall be limited to transfers of such Registered Global Note, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor’s nominee.

### **(b) Transfers of Registered Notes in Definitive Form**

Subject as provided in Condition 2(e), (f) and (g) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (A) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 6 to the Programme Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of



the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(c) Registration of Transfer upon Partial Redemption

In the event of a partial redemption of Notes under Condition 9.6 (*Redemption and Purchase – Redemption at the Option of the Issuer and Partial Redemption*), the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) Costs of Registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) Transfers of Interests in Regulation S Global Notes

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made:

- (i) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a “**Transfer Certificate**”), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made:
  - (A) to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or
  - (B) to a person who is an Institutional Accredited Investor, together with, in the case of (B), a duly executed investment letter from the relevant transferee substantially in the form set out in the Agency Agreement (an “**IAI Investment Letter**”); or
- (ii) otherwise pursuant to an exemption from the Securities Act, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer qualifies for such an exemption and is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

In the case of (A) above, such transferee may only take delivery through a Legended Note in global or definitive form and, in the case of (B) above, such transferee may take delivery only through a Legended Note in definitive form. After expiry of the applicable Distribution Compliance Period (i) beneficial interests in Regulation S Global Notes registered in the name of a nominee for DTC may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC and (ii) such certification requirements will no longer apply to such transfers.

(f) Transfers of Interests in Legended Notes

Transfers of Legended Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that in the case of a Regulation S Global Note registered in the name of a nominee for DTC, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream Banking S.A., Luxembourg; or
- (ii) to a transferee who takes delivery of such interest through a Legended Note:
  - (A) where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification (except as specified below, where the transferor is a holder of a Definitive IAI Registered Note); or
  - (B) where the transferee is an Institutional Accredited Investor, subject to delivery to the Registrar of a Transfer Certificate from the transferor to the effect that such transfer is being made to an Institutional Accredited Investor, together with a duly executed IAI Investment Letter from the relevant transferee; or
- (iii) otherwise pursuant to an exemption from the Securities Act, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer qualifies for such an exemption and is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with (i) any applicable securities laws of any State of the United States or any other jurisdiction and (ii) when the transferor is a holder of a Definitive IAI Registered Note, the terms of the IAI Investment Letter executed by such transferor.

Notes transferred by Institutional Accredited Investors to QIBs pursuant to Rule 144A or outside the United States pursuant to Regulation S will be eligible to be held by such QIBs or non-U.S. investors through DTC, Euroclear or Clearstream Banking S.A., Luxembourg, as appropriate, and the Registrar will arrange for any Notes which are the subject of such a transfer to be represented by the appropriate Registered Global Note, where applicable.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the legend, the Registrar shall deliver only Legended Notes or refuse to remove the legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

(g) Exchanges and Transfers of Registered Notes Generally

Holders of Registered Notes in definitive form, other than holders of Definitive IAI Registered Notes, may exchange such Notes for interests in a Registered Global Note of the same type at any time.

(h) Definitions

In this Condition, the following expressions shall have the following meanings:

**“Distribution Compliance Period”** means the period that ends 40 days after the completion of the distribution (for purposes of Regulation S) of each Tranche of Notes;

**“Institutional Accredited Investor”** means accredited investors as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act that are institutions;

**“Legended Note”** means Registered Notes in definitive form that are issued to Institutional Accredited Investors and Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A;

**“QIB”** means a qualified institutional buyer within the meaning of Rule 144A;

**“Registered Global Note”** means a Regulation S Global Note or a Rule 144A Global Note;

**“Regulation S”** means Regulation S under the Securities Act;

**“Regulation S Global Note”** means a global Registered Note representing Notes sold outside the United States in reliance on Regulation S;

**“Rule 144A”** means Rule 144A under the Securities Act;

**“Rule 144A Global Note”** means a global Registered Note representing Notes sold in private transactions to QIBs in accordance with the requirements of Rule 144A; and

**“Securities Act”** means the United States Securities Act of 1933, as amended.

### 3. STATUS

The Notes (including any relative Coupons) constitute direct, unconditional, unsubordinated and (subject to Condition 4 (*Negative Pledge*) and corresponding provisions in the Agency Agreement) unsecured obligations of the Issuer without any preference among themselves and will rank at least equally with all other unsubordinated and unsecured obligations of the Issuer (subject to such exceptions as are from time to time mandatory under French law).

### 4. NEGATIVE PLEDGE

- (a) So long as any Note remains Outstanding and unpaid, the Issuer will not, and will not permit any of its Consolidated Subsidiaries to, issue, assume or guarantee any Indebtedness (as defined below) secured by a Lien (as defined below) upon or with respect to any Principal Property, without making effective provision whereby all the Notes shall be directly secured equally and rateably with the Indebtedness secured by such Lien; *provided* that these provisions shall not apply to the creation, incurrence, assumption or existence of: (i) any Lien created by its Consolidated Subsidiary in favour of the Issuer or any wholly owned Consolidated Subsidiary of the Issuer; (ii) Liens on any asset of a corporation existing at the time it becomes a Subsidiary of the Issuer, provided that such Lien was not created in contemplation of the acquisition of such corporation; (iii) any Lien created over any asset acquired by the Issuer, or such Consolidated Subsidiary after 12 December 2008, to secure Indebtedness incurred to finance the acquisition of such asset simultaneously with the creation of such Lien if the Indebtedness incurred does not exceed the price of the asset acquired; (iv) any Lien existing as of 12 December 2008; (v) any refinancing, extension, renewal or replacement of any of the Indebtedness secured by Liens referred to above, provided that the principal amount of the Indebtedness secured thereby is not increased and such Lien is not spread to cover any additional assets; and (vi) Indebtedness secured by Liens upon or with respect to any Principal Property, other than those permitted in Conditions 4(a)(i) through (v) above, provided that immediately after the incurrence of any such Lien under this Condition 4(a)(vi), the aggregate outstanding amount of indebtedness secured by Liens under this Condition 4(a)(vi) plus the aggregate Attributable Debt (as defined below) in respect of the Sale and Leaseback Transactions (as defined below) permitted by the provisions of clause (b) below shall not exceed 15% of Consolidated Net Tangible Assets of the Issuer (as defined below). A certificate of the Auditors (PricewaterhouseCoopers Audit and KPMG Audit, a department of KPMG S.A.) (or such other firm of independent public accountants which may at the time be independent public accountants for the Issuer,) shall be conclusive evidence as to the amount, at the date specified in such certificate, of Consolidated Net Tangible Assets of the Issuer.
- (b) So long as any Note remains Outstanding and unpaid, the Issuer will not, and will not permit any of its Consolidated Subsidiaries to, enter into any arrangement with any Person (as defined below) providing for the leasing by it, or any of its Subsidiaries of any Principal Property which has been or is to be sold or transferred by it, or such Consolidated Subsidiary to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such Principal Property (a Sale and Leaseback Transaction). Each of the Issuer and any of its Consolidated Subsidiaries may enter into a Sale and Leaseback Transaction which would otherwise be prohibited by the foregoing sentence, if (A) within 90 days of the effective date of

any such Sale and Leaseback Transaction, an amount equal to the fair value (as determined by the Board of Directors of the Issuer) of the Principal Property so leased is applied to the retirement of long-term Indebtedness of the Issuer, or (B) immediately after entering into such transaction the Attributable Debt in respect of such and other Sale and Leaseback Transactions plus the aggregate principal amount of Indebtedness secured by Liens on Principal Properties then outstanding do not at the time exceed 15% of Consolidated Net Tangible Assets. Attributable Debt means with respect to a Sale and Leaseback Transaction, as of any particular time, the present value (discounted at the Rate of Interest implicit in the terms of the lease involved in such Sale and Leaseback Transaction, as determined in good faith by the Issuer) of the obligation of the lessee thereunder for net rental payments (excluding, however, any amounts required to be paid by such lessee, whether or not designated as rent or additional rent, on account of maintenance and repairs, services, insurance, taxes, assessments, water rates and similar charges or any amounts required to be paid by such lessee thereunder contingent upon monetary inflation or the amount of sales, maintenance and repairs, insurance, taxes, assessments, water rates or similar charges) during the remaining term of such lease (including any period for which such lease has been extended or may at the option of the lessor, be extended). A certificate of the Auditors (PricewaterhouseCoopers Audit and KPMG Audit, a department of KPMG S.A.) (or such other firm of independent public accountants as shall at the time be independent public accountants for the Issuer) shall be conclusive evidence as to the amount, at the date specified in such certificate of Attributable Debt.

(c) Definitions – as used above, the following terms shall have the following meanings:

**“Consolidated Net Tangible Assets”** means the excess over current liabilities of all assets properly appearing on a consolidated balance sheet of the Issuer and its Consolidated Subsidiaries, less goodwill, trademarks, patents, deferred software costs, other like intangibles and the minority interests of others in Subsidiaries;

**“Consolidated Subsidiary”** means a Subsidiary of the Issuer, the accounts of which are consolidated with those of the Issuer in accordance with IFRS;

**“indebtedness”** means, with respect to any person, (A) any indebtedness for borrowed money or for the deferred purchase price of property or services and (B) all obligations which, under IFRS, are required to be recorded as capitalised leases on the consolidated balance sheet of the Issuer;

**“Lien”** means any mortgage, pledge, security interest, lien or other encumbrance;

**“Person”** means any individual, partnership, joint venture, firm, corporation, association, trust or other enterprise or any government or political subdivision or any agency, department or instrumentality thereof;

**“Principal Property”** means, as of any date, any building, structure or other facility together with the land upon which it is erected and fixtures comprising a part thereof used primarily for manufacturing, processing or production and owned or leased or to be owned or leased by the Issuer or any of its Consolidated Subsidiaries, and in each case the net book value of which as of such date

exceeds 2% of the Consolidated Net Tangible Assets of the Issuer, as shown on its audited consolidated balance sheet contained in its latest annual report to shareholders, other than any such land, building, structure or other facility or portion thereof which, in the opinion of the Board of Directors of the Issuer, as applicable, is not of material importance to the business conducted by the Issuer and its Consolidated Subsidiaries, considered as one enterprise; and

“**Subsidiary**” means any corporation of which shares of stock of each class having ordinary voting power (other than, stock having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation are at the time owned by the Issuer or by one or more its Subsidiaries or by the Issuer and one or more of its Subsidiaries (a Subsidiary shall be deemed wholly owned by a person who owns all of the voting shares of such Subsidiary except for directors’ qualifying shares).

## **5. REDENOMINATION**

### **5.1 Redenomination**

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders and the Couponholders, on giving prior notice to the Agent, Euroclear and Clearstream Banking S.A., Luxembourg and at least 30 days’ prior notice to the Noteholders in accordance with Condition 17 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in Euro.

The election will have effect as follows:

- (a) the Notes shall be deemed to be redenominated in Euro in the denomination of Euro 0.01 with a nominal amount for each Note equal to the nominal amount of that Note in the Specified Currency, converted into Euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Agent, that the then market practice in respect of the redenomination in Euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (b) save to the extent that an Exchange Notice has been given in accordance with Condition 5.1(d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest Euro 0.01;
- (c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of Euro 100,000 and higher integral multiples of Euro 1,000 in excess thereof;

- (d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the “Exchange Notice”) that replacement Euro-denominated Notes and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes so issued will also become void on that date although those Notes will continue to constitute valid exchange obligations of the Issuer. New Euro-denominated Notes and Coupons will be issued in exchange for Notes and Coupons denominated in the Specified Currency in such manner as the Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (e) after the Redenomination Date, all payments in respect of the Notes and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in Euro as though references in the Notes to the Specified Currency were to Euro. Payments will be made in Euro by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee or, at the option of the payee, by a Euro cheque;
- (f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;
- (g) if the Notes are Floating Rate Notes or Inflation Linked Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and
- (h) such other changes shall be made to this Condition as the Issuer may decide, after consultation with the Agent, and as may be specified in the notice, to conform it to conventions then applicable to instruments denominated in Euro.

## 5.2 Definitions

In the Conditions, the following expressions have the following meanings:

“**Established Rate**” means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into Euro established by the Council of the European Union pursuant to Article 123 of the Treaty;

“**Euro**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

**“Redenomination Date”** means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to Condition 5.1 (*Redenomination – Redenomination*) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

**“Treaty”** means the Treaty establishing the European Community, as amended.

## **6. INTEREST**

### **6.1 Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to the Maturity Date.

The amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, **“Fixed Interest Period”** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resulting figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

**“Day Count Fraction”** means, in respect of the calculation of an amount of interest in accordance with this Condition 6.1:

- (a) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **“Accrual Period”**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Periods normally ending in any year (as specified in the applicable Final Terms); or
  - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:



- (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if “**30/360**” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with twelve 30-day months) divided by 360.

In the Conditions:

“**Determination Period**” means each period from (and including) a Determination Date (as specified in the applicable Final Terms) to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

“**Determination Date**” means the date(s) specified as such in the applicable Final Terms or, if none is so specified, the Interest Payment Date(s); and

“**sub-unit**” means, with respect to any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to Euro, one cent.

## ***6.2 Interest on Floating Rate Notes, Inverse Floating Rate Notes and Inflation Linked Notes***

### **(a) Interest Payment Dates**

Each Floating Rate Note, Inverse Floating Rate Note and Inflation Linked Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date and such interest will be payable in arrears on either (each such date, together with each Specified Interest Payment Date, an “**Interest Payment Date**”):

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each “**Interest Period**” (which expression shall, in the Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply mutatis mutandis or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, “**Business Day**” means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any additional Business Centre specified in the applicable Final Terms, and in the case of Notes in definitive form only, where they are also so open, in the relevant place of presentation; and
- (B) either (i) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign

currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in Euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the “**TARGET2 System**”) is open.

(b) Rate of Interest for Floating Rate Notes and Inverse Floating Rate Notes

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Inverse Floating Rate Notes will be determined either according to ISDA Determination or Screen Rate Determination, as specified in the applicable Final Terms.

“**Relevant Financial Centre**” means, with respect to any Floating Rate or CMS Rate to be determined on an Interest Determination Date (as defined below), the financial centre as may be specified as such in the applicable Final Terms or, if none is so specified, the financial centre with which the relevant Reference Rate or CMS Rate is most closely connected (which in the case of the Euro Inter-bank Offered Rate (“**EURIBOR**”) shall be the euro area) or, if none is so connected, London.

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters Money 3000 Service (“**Reuters**”)) as may be specified for the purpose of providing a Reference Rate or CMS Reference Rate, as the case may be, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Reference Rate or CMS Reference Rate, as the case may be.

“**Relevant Time**” (i) where Screen Date Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, means, with respect to any Interest Determination Date, 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 Relevant Currency in the interbank market in the Relevant Financial Centre and, where the primary source for the Floating Rate is a Relevant Screen Page, the time as of which the Relevant Rate(s) appearing on such Relevant Screen Page is or are set and posted on such Relevant Screen Page and for this purpose “local time” means, with respect to Europe and the Eurozone as a Relevant Financial Centre, Central European Time or (ii) where CMS Rate is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, has the meaning specified in the Final Terms.

(i) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). In case of Inverse Floating

Rate Notes, the interest rate is equal to a fixed base rate minus a rate based upon a reference rate. For the purposes of this Condition 6.2(b)(i), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the “**ISDA Definitions**”) and under 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; and
- (C) the relevant Reset Date is either (a) if the applicable Floating Rate Option is based on the London interbank offered rate (“**LIBOR**”) or on EURIBOR, the first day of that Interest Period or (b) in any other case, as specified in the applicable Final Terms.

For the purposes of this Condition 6.2(b)(i), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**” and “**Reset Date**” have the meanings given to those terms in the ISDA Definitions.

If the specified ISDA Rate is not available, the applicable interest rate will be determined according to the fallback rules of the relevant Floating Rate Option under the ISDA Definitions.

(ii) Screen Rate Determination

- (A) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:
  - (1) the offered quotation; or
  - (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the rate specified as “**Reference Rate**” in the relevant Final Terms (the “**Reference Rate**”) which appears or appear, as the case may be, on the Relevant Screen Page as at the Relevant Time (11.00 a.m. London time if the Reference Rate is LIBOR, 11.00 a.m. Brussels time if the Reference Rate is EURIBOR) or as otherwise specified in the applicable Final Terms (the “**Relevant Time**”) on the interest determination date as specified in the applicable Final Terms (the “**Interest Determination Date**”) in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more

of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

In case of Inverse Floating Rate Notes, the interest rate is equal to a fixed base rate minus a rate based upon a reference rate.

- (B) If the Relevant Screen Page is not available or if, in the case of Condition 6.2(b)(ii)(A)(1) immediately above, no offered quotation appears or, in the case of Condition 6.2(b)(ii)(A)(2) immediately above, fewer than three offered quotations appear, in each case as at the Specified Time, the Issuer and/or an agent appointed by the Issuer shall request, (i) if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks, (ii) if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, or (iii) if otherwise, each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.
- (C) If paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks provide offered quotations, subject as provided below, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or such inter-bank market as may be specified in the relevant Final Terms (the “**Relevant Inter-Bank Market**”) (if the Reference Rate is neither LIBOR nor EURIBOR), as the case may be, plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest

Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Relevant Inter-Bank Market (if the Reference Rate is neither LIBOR nor EURIBOR), as the case may be, plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

- (D) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being CMS Rate, the Interest Rate for each Interest Period will be:

$$\text{Margin} + \text{Multiplier} \times (\text{CMS Rate1} \pm \text{CMS Rate2})$$

where:

“**Margin**” has the meaning specified in the applicable Final Terms;

“**Multiplier**” shall mean the value specified in the applicable Final Terms;

“**CMS Rate1**” shall mean the CMS Reference Rate determined with reference to the First Reference Currency, the First Designated Maturity, the First Relevant Screen Page and the First Relevant Time; and

“**CMS Rate2**” shall mean the CMS Reference Rate determined with reference to the Second Reference Currency, the Second Designated Maturity, the Second Relevant Screen Page and the Second Relevant Time.

If the Relevant Screen Page is not available at the Relevant Time on the relevant Interest Determination Date: (i) the Issuer and/or an agent appointed by the Issuer shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate (expressed as a percentage rate per annum) at approximately the Relevant Time on the Interest Determination Date; (ii) if two or more of the CMS Reference Banks provide the Calculation Agent with such quotations, the CMS Reference Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the 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); and (iii) if on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Reference Rate shall be determined by the Issuer and/or an agent appointed by the Issuer in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

For the purposes of this Condition 6.2(b)(ii)(D):

**“CMS Reference Rate”** means, for an Interest Period, the Relevant Swap Rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity (as specified in the applicable Final Terms) commencing on the first day of the relevant Interest Period (expressed as a percentage rate per annum) which appears on the Relevant Screen Page (as specified in the applicable Final Terms) as at the Relevant Time (as specified in the applicable Final Terms) on the relevant Interest Determination Date, all as determined by the Agent or another calculation agent (as specified in the applicable Final Terms) (the **“Calculation Agent”**).

**“CMS Reference Banks”** means (i) where the Reference Currency is euro, the principal office of five leading swap dealers in the inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Reference Currency is United States dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market, in each case as selected by the Issuer and/or an agent appointed by the Issuer.

**“Relevant Swap Rate”** means:

- (1) where the Reference Currency is euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the CMS Maturity 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 designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions;
- (2) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the CMS Maturity 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/365 (Fixed) day count basis, is equivalent (A) if the CMS Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the CMS Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;

- (3) where the Reference Currency is United States dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States dollar interest rate swap transaction with a term equal to the CMS Maturity 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, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and
- (4) where the Reference Currency is any other currency, the mid-market swap rate as determined by the Calculation Agent in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

(iii) Benchmark discontinuation

(A) *Independent Adviser*

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser and notify the Paying Agent and Calculation Agent, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 6.2(b)(iii)(B)) and, in either case, an Adjustment Spread if any (in accordance with Condition 6.2(b)(iii)(C)) and any Benchmark Amendments (in accordance with Condition 6.2(b)(iii)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 6.2(b)(iii) shall act in good faith in a commercially reasonable manner as an independent expert and in consultation with the Issuer. The Issuer will not take any discretionary decision on the basis of such consultation. In the absence of bad faith, manifest error or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, the Noteholders, or the Couponholders for any determination made by it, pursuant to this Condition 6.2(b)(iii).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 6.2(b)(iii)(B) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest



Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this Condition 6.2(b)(iii)(A) shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 6.2(b)(iii)(A).

(B) *Successor Rate or Alternative Rate*

If the Independent Adviser determines that:

(i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 6.2(b)(iii)(C)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 6.2(b)(iii)(D)); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 6.2(b)(iii)(C)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 6.2(b)(iii)(D)).

(C) *Adjustment Spread*

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

(D) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 6.2(b)(iii) and the Independent Adviser, determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 6.2(b)(iii)(E), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice. Such Benchmark Amendments shall not impose more onerous obligations on the Paying Agent and Calculation Agent or, unless their prior consent has been

given, expose the Paying Agent and the Calculation Agent to any additional duties or liabilities.

For the avoidance of doubt, and in connection with any such variation in accordance with this Condition 6.2(b)(iii)(D), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(E) *Notices*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 6.2(b)(iii) will be notified no later than (10) Business Days prior to the relevant Interest Determination Date by the Issuer, after receiving such information from the Independent Adviser, to the Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 17, the Noteholders. Such notice shall be irrevocable and binding and shall specify the effective date of the Benchmark Amendments, if any.

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

- (i) confirming, on the basis of the determination of the Independent Adviser (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) where applicable, any Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 6.2(b)(iii); and
- (ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

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

Notwithstanding any other provision of this Condition 6.2(b)(iii)(E), if in the opinion of the Calculation Agent there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 6.2(b)(iii), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent and Paying Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable to

make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(F) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Condition 6.2(b)(iii) (A), (B), (C) and (D), the Original Reference Rate and the fallback provisions provided for in Condition 6.2(b)(ii) will continue to apply unless and until a Benchmark Event has occurred.

(G) *New Benchmark Event in respect of the Successor Rate or Alternative Rate*

If Benchmark Amendments have been implemented pursuant to this Condition 6.2(b)(iii) and a new Benchmark Event occurs in respect of the then applicable Successor Rate or Alternative Rate, the provisions of this Condition 6.2(b)(iii) shall apply as if the Successor Rate or Alternative Rate were the Original Reference Rate.

For purposes of this Condition 6.2(b)(iii):

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

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

(iv) the Independent Adviser determines to be appropriate.

**“Alternative Rate”** means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 6.2(b)(iii)(B) and which is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

**“Benchmark Event”** means:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (v) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

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

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 6.2(b)(iii)(A).

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

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

- (i) the central bank for the currency to which the benchmark or screen rate, as applicable, relates, or any central bank or other supervisory authority

which is responsible for supervising the administrator of the benchmark or screen rate, as applicable; or

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

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

(iv) Linear Interpolation

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

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

(c) Rate of Interest on Inflation Linked Notes

The Rate of Interest, the Margin and the Inflation Factor in respect of Inflation Linked Notes for each Interest Period will be as specified in the applicable Final Terms. Amounts of interest payable in respect of Inflation Linked Notes shall be calculated in accordance with Condition 7.

(d) Rate of Interest on Range Accrual Notes

- (i) It may be specified in the applicable Final Terms of Notes that the relevant Notes are Range Accrual Notes, which pay fixed rate, floating rate, and/or CMS rate interest, that the amount of interest payable in respect of such Notes for any Interest Period to which such interest types apply will be multiplied by the applicable Range Accrual Factor, expressed formulaically as follows:

*Rate of Interest x Range Accrual Factor*

- (ii) The “**Range Accrual Factor**” for an Observation Period corresponding to an Interest Payment Date will be calculated as the quotient of (i)  $n$  divided by (ii)  $N$ , expressed formulaically as:

$$\frac{n}{N}$$

where:

“ $n$ ” in respect of an Observation Period corresponding to an Interest Payment Date is the number of Observation Dates within that Observation Period that the Accrual Condition is satisfied; and

“ $N$ ” in respect of an Observation Period corresponding to an Interest payment Date, is the number of Observation Dates within that Observation Period.

- (iii) The “**Accrual Condition**” in respect of an Observation Period corresponding to an Interest Payment Date will be satisfied on any Observation Date within that Observation Period where:
- (A) if “**Single Rate Range Accrual**” is specified as Accrual Condition Type in the Final Terms, the Range Accrual Floating Rate 1 on such Observation Date is greater than or equal to the Corresponding Lower Barrier and less than or equal to the Corresponding Upper Barrier; or
- (B) if “**Spread Range Accrual**” is specified as Accrual Condition Type in the Final Terms, the Range Accrual Floating Rate 1 minus the Range Accrual Floating Rate 2, in each case on such Observation Date (the “**Range Accrual Spread**”) is greater than or equal to the Corresponding Lower Barrier and less than or equal to the Corresponding Upper Barrier,

in each case as determined by the Calculation Agent.

Where:

**“Corresponding Lower Barrier”** means, in respect of the determination of any Accrual Condition and any Range Accrual Floating Rate or Range Accrual Spread, the percentage rate specified as being ‘Lower Barrier’ applicable to such Range Accrual Floating Rate or Range Accrual Spread in the applicable Final Terms;

**“Corresponding Upper Barrier”** means, in respect of the determination of any Accrual Condition and Range Accrual Floating Rate or Range Accrual Spread, the percentage rate specified as being ‘Upper Barrier’ applicable to such Range Accrual Floating Rate or Range Accrual Spread in the applicable Final Terms;

**“Observation Date”** means each calendar day in the relevant Observation Period;

**“Observation Period”** means, unless otherwise specified in the relevant Issue Terms, each Interest Period;

**“Range Accrual Floating Rate”** means, in respect of any Observation Date in an Observation Period, the percentage rate of interest per annum for the relevant Observation Date calculated in accordance with Condition 6.2(d)(iv) below;

**“Range Accrual Floating Rate 1”** means, in respect of any Observation Date in an Observation Period, the Range Accrual Floating Rate determined in respect of (i) the Reference Rate (ii) the relevant Designated Maturity (if any) and (iii) the Relevant Screen Page specified as applicable to ‘Range Accrual Floating Rate 1’ in the applicable Final Terms; and

**“Range Accrual Floating Rate 2”** in respect of any Observation Date in an Observation Period, the Range Accrual Floating Rate determined in respect of (i) the Reference Rate (ii) the relevant Designated Maturity (if any) and (iii) the Relevant Screen Page specified as applicable to ‘Range Accrual Floating Rate 2’ in the Final Terms.

- (iv) If on any Observation Date the Relevant Screen Page specified in the Final Terms to apply to a Range Accrual Floating Rate is not available, or no such offered quotation appears on such Relevant Screen Page as at the Relevant Screen Time specified in the Final Terms to apply to such Range Accrual Floating Rate, subject to the next sentence, such Range Accrual Floating Rate shall be deemed to be the corresponding Range Accrual Floating Rate for the immediately preceding calendar day on which an offered quotation appears on such Relevant Screen Page as at such Relevant Screen Time.

If the Relevant Screen Page specified in the Final Terms to apply to a Range Accrual Floating Rate is not available, or no such offered quotation appears on such Relevant Screen Page as at the Relevant Screen Time specified in the Final Terms to apply to such Range Accrual Floating Rate for seven consecutive calendar days, the relevant

fallback provisions applicable to either ISDA Determination or Screen Rate Determination as set out in Condition 6.2 apply.

(e) Rate of Interest on Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that will automatically, or that the Issuer may elect to, change from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms (the “**Switch Date**”).

(f) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specifies a “**Minimum Rate of Interest**” for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 6.2(b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest (for clarity, following adjustment by an applicable Range Accrual Factor, if any).

If the applicable Final Terms specifies a “**Maximum Rate of Interest**” for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 6.2(b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest (for clarity, following adjustment by an applicable Range Accrual Factor, if any).

Whether or not a Maximum or Minimum Rate of Interest is specified in the relevant Final Terms, in no event shall the Rate of Interest (including for the avoidance of doubt, as adjusted for any applicable margin) be less than zero.

(g) Determination of Rate of Interest and Calculation of Interest Amounts

The Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Inflation Linked Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Inflation Linked Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Agent will calculate the amount of interest (the “**Interest Amount**”) payable on the Floating Rate Notes or the Inflation Linked Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 6.2:

- (i) if “Actual/Actual” or “Actual/Actual (ISDA)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the



Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (I) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (II) the last day of the Interest Period 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 30-day month)); and
- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, 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 30-day month).

(h) Notification of Rate of Interest and Interest Amounts

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, and any stock exchange on which the relevant Floating Rate Notes or Inflation Linked Notes are for the time being listed and notice thereof to be published in accordance with Condition 17 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Inflation Linked Notes are for the time being listed and to the Noteholders in accordance with Condition 17 (*Notices*). For the purposes of this paragraph, the expression “London Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(i) **Certificates to be Final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.2 (*Interest – Interest on Floating Rate Notes and Inflation Linked Notes*), whether by the Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error or proven error) be binding on the Issuer, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

**6.3 Accrual of Interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 17 (*Notices*).

**7. INFLATION LINKED NOTES**

This Condition 7 is applicable only if the applicable Final Terms specify the Notes as Inflation Linked Notes.

**7.1 Inflation Linked Interest**

- (a) The Interest Amount payable in respect of each Calculation Amount on each Interest Payment Date shall be calculated on the relevant Interest Determination Date by the Calculation Agent by multiplying the Interest Rate for such Interest Payment Date by the Calculation Amount and then further multiplying such amount by the applicable Day Count Fraction.
- (b) Subject to Condition 7.1(c) immediately below, the Interest Rate for a relevant Interest Period ending on or about a relevant Interest Payment Date will be calculated in accordance with Condition 7.1(b)(i) or Condition 7.1(b)(ii), as specified in the applicable Final Terms.
  - (i) If this Condition 7.1(b)(i) applies, the applicable Interest Rate is the sum of (x) a margin percentage rate specified as such in the Final Terms for such relevant Interest Payment Date (which rate may be negative) (the “**Margin**”) plus (y) the Inflation Factor determined for such relevant Interest Payment Date in accordance with Condition 7.2 below and

rounded in accordance with Condition 6.2(g); which can also be expressed formulaically as:

$$\text{Margin} \pm \text{Inflation Factor}$$

- (ii) If this Condition 7.1(b)(ii) applies, the applicable Interest Rate is the total of (x) a margin percentage rate specified as such in the Final Terms for such relevant Interest Payment Date (which rate may be negative) (the “**Margin**”) multiplied by (y) the Inflation Factor determined for such relevant Interest Payment Date in accordance with Condition 7.2 below and rounded in accordance with Condition 6.2(g); which can also be expressed formulaically as:

$$\text{Margin} \times \text{Inflation Factor}$$

- (c) If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 7.1(b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.
- (d) If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 7.1(b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

## **7.2 Inflation Factor**

- (a) Option A

Where Option A is specified in the relevant Final Terms, the applicable Inflation Factor is determined by dividing:

- (i) the Inflation Index Level for the calendar month (“**Reference Month**”) specified in the Final Terms as applicable to the relevant Interest Payment Date (“**Final Index**”); by
- (ii) the Inflation Index Level for the Reference Month specified in the Final Terms as applicable to the Initial Valuation Date (“**Base Index**”).

The Inflation Factor of Option A can also be expressed formulaically as:

$$\frac{\text{Final Index}}{\text{Base Index}}$$

The following terms as used above have the following meanings:

**“Calculation Amount”** means a nominal amount of the Notes equal to the Specified Denomination (unless a different amount is specified in the relevant Final Terms, in which case, such amount).

**“Day Count Fraction”** means the fraction equal to the number of days of the Interest Period divided by the number of days of the year, in each case as determined by the applicable convention, which may be any of 'Actual/Actual(ICMA)', 'Act/Act(ICMA)', 'Actual/Actual', 'Actual/Actual (ISDA)', 'Actual/365 (Fixed)', 'Actual/360', '30/360', '360/360', 'Bond Basis', '30E/360', 'Eurobond Basis', '30E/360 (ISDA)' (each as defined in Condition 6.2(g)), as specified in the relevant Final Terms.

**“Inflation Index”** means either the Index, as specified in the Final Terms and published by the relevant index sponsor (the **“Index Sponsor”**).

**“Inflation Index Level”** means the level of the Inflation Index first published or announced for the relevant Reference Month, as determined by the Calculation Agent, subject to Condition 7.4.

**“Interest Determination Date”** means the date specified in the applicable Final Terms or, if no such date is specified, the date falling five Business Days prior to the relevant Interest Payment Date.

**“Interest Payment Date”** means the date or dates specified as such in the Final Terms.

**“Initial Valuation Date”** means the date specified in the Final Terms.

(b) Option B

Where Option B is specified in the relevant Final Terms, the applicable Inflation Factor is determined by dividing:

- (i) the Inflation Index Level for the calendar month (**“Reference Month”**) specified in the Final Terms as applicable to the relevant Interest Payment Date (**“Final Index”**); by
- (ii) the Inflation Index Level for the Reference Month specified in the Final Terms as applicable to the Initial Valuation Date (**“Base Index”**)

and subtracting “one”.

The Inflation Factor of Option B can also be expressed formulaically as:

$$\frac{\text{Final Index}}{\text{Base Index}} - 1$$

The following terms as used above have the following meanings:

**“Calculation Amount”** means a nominal amount of the Notes equal to the Specified Denomination (unless a different amount is specified in the relevant Final Terms, in which case, such amount).

**“Day Count Fraction”** means the fraction equal to the number of days of the Interest Period divided by the number of days of the year, in each case as determined by the applicable convention, which may be any of 'Actual/Actual(ICMA)', 'Act/Act(ICMA)', 'Actual/Actual', 'Actual/Actual (ISDA)', 'Actual/365 (Fixed)', 'Actual/360', '30/360', '360/360', 'Bond Basis', '30E/360', 'Eurobond Basis', '30E/360 (ISDA)' (each as defined in Condition 6.2(g)), as specified in the relevant Final Terms.

**“Inflation Index”** means either the RPI, the HICP, the French CPI, the Italian CPI or the U.S. CPI, as specified in the Final Terms and published by the relevant Index Sponsor.

**“Inflation Index Level”** means the level of the Inflation Index first published or announced for the relevant Reference Month, as determined by the Calculation Agent, subject to Condition 7.4.

**“Interest Determination Date”** means the date specified in the applicable Final Terms or, if no such date is specified, the date falling five Business Days prior to the relevant Interest Payment Date.

**“Interest Payment Date”** means the date or dates specified as such in the Final Terms.

**“Initial Valuation Date”** means the date specified in the Final Terms.

(c) Option C

Where Option C is specified in the relevant Final Terms, the applicable Inflation Factor is determined by the following formula as applicable to any day (“**d**”) in any month (“**m**”):

$$I_d = Index_{m-3} + \frac{nb d}{q_m} \times (Index_{m-2} - Index_{m-3})$$

where:

**“I<sub>d</sub>”** is the Index Level for the day d, subject to Condition 7.4;

**“Index<sub>m-2</sub>”** is the level of Inflation Index Level for month m-2;

**“Index<sub>m-3</sub>”** is the level of Inflation Index Level for month m-3;

**“Inflation Index”** means the Index, as specified in the Final Terms and published by the relevant Index Sponsor;

**“Inflation Index Level”** means the level of the Inflation Index first published or announced for the relevant Reference Month, as determined by the Calculation Agent, subject to Condition 7.4;

**“nbd”** is the actual number of days from and excluding the first day of month m to but including day d; and

**“q<sub>m</sub>”** is the actual number of days in month m.

- (d) The first publication or announcement of the Inflation Index Level for a Reference Month shall be final and conclusive and later revisions to the level for such calculation month will not be used in any calculations.

### 7.3 Indices

- (a) United Kingdom Retail Price Index

Where RPI is specified as the Index in the applicable Final Terms, the applicable Index for the relevant Inflation Linked Notes is the *UK Retail Price Index (for all items)* published by the Office for National Statistics (January 1987 = 100) or any comparable index which may replace the UK Retail Price Index for the purpose of calculating the amount payable on repayment of the Related Bond as defined in Condition 7.4 (the “**RPI**”). Information on the RPI may be found on the website of the Office for National Statistics at <http://ons.gov.uk/ons/taxonomy/index.html?nscl=Retail+Prices+Index#tab-data-tables> or at <http://www.bloomberg.com/quote/UKRPI:IND>.

- (b) Harmonised Index of Consumer Prices

Where HICP is specified as the Index in the applicable Final Terms, the applicable Index for the relevant Inflation Linked Notes is the *non-revised Harmonised Index of Consumer Prices excluding tobacco* or relevant Successor Index as defined in Condition 7.4, measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by Eurostat (the “**HICP**”). Information on the HICP may be found on the Eurostat website at <http://ec.europa.eu/eurostat/web/hicp> or at <http://www.bloomberg.com/quote/CPEXEMUY:IND>.

- (c) French Consumer Price Index

Where the French CPI is specified as the Index in the applicable Final Terms, the applicable Index for the relevant Inflation Linked Notes is the consumer price index excluding tobacco for all households in metropolitan France, as calculated and published by the *Institut National de la Statistique et des Etudes Economiques* (the “**INSEE**”) (the “**French CPI**”). Information on the French CPI may be found on the website [www.aft.gouv.fr](http://www.aft.gouv.fr) and on the Agence France Trésor Reuters page OATINFLATION01 or on Bloomberg TRÉSOR <GO>.

- (d) Italian Consumer Price Index

Where the Italian CPI is specified as the Index in the applicable Final Terms, the applicable Index for the relevant Inflation Linked Notes is the consumer price index (excluding tobacco) in Italy, (“*Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) senza tabacchi*”) published by *Istituto nazionale di statistica* (the “**Italian CPI**”). Information on the Italian CPI may be found on the Istat website at <http://www.istat.it/en/archive/CPI>.

(e) U.S. Consumer Price Index

Where the U.S. CPI is specified as the Index in the applicable Final Terms, the applicable Index for the relevant Inflation Linked Notes is the *All Items Consumer Price Index for All Urban Consumers (CPI-U)* before seasonal adjustment (the “**U.S. CPI**”) published by the U.S. Bureau of Labor Statistics. Information on the U.S. CPI may be found on the website of the U.S. Bureau of Labor Statistics at <http://www.bls.gov/cpi/> or at <http://www.bloomberg.com/quote/CPURNSA:IND>.

**7.4 Index delay and disruption event provisions**

(a) Delay in Publication

(i) General

Where this Condition 7.4(a)(i) is specified as applicable in the relevant Final Terms, the following provisions will apply to a delay in the publication of the Index.

If the Calculation Agent determines that any Index Level for a Reference Month which is relevant to the calculation of any payment or delivery under the Notes and/or any other determination in respect of the Notes (a “**Relevant Level**”) has not been published or announced by the related Cut-off Date, the Calculation Agent shall determine an alternative level in place of such Relevant Level (a “**Substitute Index Level**”) by using the following methodology:

- (A) if Related Bond is specified as applicable in the applicable Final Terms, the Calculation Agent shall take the same action to determine the Substitute Index Level for the applicable Payment/Delivery Date or date for determination, as applicable, as that taken pursuant to the terms and conditions of the relevant Related Bond; or
- (B) if (x) Related Bond is not specified as applicable in the applicable Final Terms, or (y) the Calculation Agent is not able to determine a Substitute Index Level pursuant to Condition 7.4(a)(i) above for any commercially appropriate reason, then the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

Substitute Index Level = Base Level x (Latest Level/Reference Level),

where:

“**Base Level**” means the Index Level (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

**“Latest Level”** means the latest Index Level (excluding any “flash estimates”) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

**“Reference Level”** means, in respect of an Index, the Index Level (excluding any “flash” estimates) published or announced by the relevant Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in “Latest Level” above.

If a Relevant Level is published or announced at any time on or after the Cut-off Date then such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to Condition 7.4 will be the definitive level for that Reference Month.

The Issuer shall give notice to Noteholders in accordance with Condition 17 of any Substitute Index Level calculated pursuant to this Condition 7.4.

(ii) French CPI

Where this Condition 7.4(a)(ii) is specified as applicable in the relevant Final Terms, the following provisions will apply to a delay in the publication of the Index.

The calculation method described below is based on the recommendation issued by the French Bond Association (*Comité de Normalisation Obligataire* — [www.cnofrance.org](http://www.cnofrance.org)) in its July 2011 Paper entitled “Inflation-linked bonds”.

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

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

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

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

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

(b) Cessation of Publication



If the Calculation Agent determines that the Index Level has not been published or announced by the relevant Index Sponsor for two consecutive months or the Index Sponsor announces that it will no longer continue to publish or announce such Index and/or the Index Sponsor cancels the Index, then the Calculation Agent shall determine a successor index in lieu of any previously applicable Index (a “**Successor Index**”) for the purposes of the relevant Notes by using the following methodology:

- (i) if Related Bond is specified in the applicable Final Terms, the Calculation Agent shall determine a Successor Index by reference to the corresponding successor index determined under the terms and conditions of the Related Bond;
- (ii) if (x) Related Bond is not specified in the applicable Final Terms, or (y) a Related Bond has been specified but a Related Bond Redemption Event has occurred, the Index Sponsor announces that it will no longer publish or announce the Index but that it will be superseded by a replacement Index specified by the Index Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be deemed the Successor Index for the purposes of the Notes from the date that such replacement Index comes into effect;
- (iii) if no Successor Index has been determined under Conditions 7.4(b)(i) or 7.4(b)(ii) above, the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the index should be. If at least four responses are received, and of those four or five responses, three or more leading independent dealers state the same index, such index will be deemed the Successor Index. If three responses are received, and two or more leading independent dealers state the same index, such index will be deemed the Successor Index. If fewer than three responses are received by the Cut-off Date or no Successor Index is determined pursuant to this provision, the Calculation Agent will apply the provisions of Condition 7.4(b)(iv) below;
- (iv) if no Successor Index has been determined pursuant to Conditions 7.4(b)(i), (ii) or (iii) above, by the next occurring Cut-off Date, subject as provided below, the Calculation Agent, in agreement with the Issuer (failing which the Issuer shall redeem the Notes as under Condition 7.4(b)(v) immediately here below), will determine an appropriate alternative index as of such Cut-off Date with the intention that the same should leave the Issuer and the Noteholders in no better and no worse position than they would have been had the Index not ceased to be published, and such index will be deemed the Successor Index for the purposes of the Notes;
- (v) if the Calculation Agent determines that there is no appropriate alternative index, then the Issuer shall give notice to the Noteholders in accordance with Condition 17 and redeem all (but not some only) of the Notes being redeemed at the Early Redemption Amount.

In relation to the determination of any Successor Index in accordance with this Condition 7.4, the Calculation Agent shall determine the date on which the Successor Index shall be deemed to replace the relevant Index for the purposes of the Notes. Notice of the determination of a Successor Index and the effective date of the Successor Index shall be given to Noteholders by the Issuer in accordance with Condition 17.

(c) Adjustments

(i) Successor Index

If a Successor Index is determined in accordance with Condition 7.4(b) above, the Calculation Agent may make any adjustment or adjustments (without limitation) to any amount payable under the Notes and/or any other relevant term of the Notes as the Calculation Agent deems necessary to account for this. The Issuer shall give notice to the Noteholders of any such adjustment in accordance with Condition 17.

(ii) Substitute Index Level

If the Calculation Agent determines a Substitute Index Level in accordance with Condition 7.4(a), the Issuer shall make any adjustment or adjustments (without limitation) to (x) the Substitute Index Level determined in accordance with Condition 7.4(a) above and/or (y) any amount payable under the Notes and/or any other relevant term of the Conditions as the Calculation Agent deems necessary, in agreement with the Issuer, that are necessary and consistent with the adjustments made to the Index and with the intention that the same should leave the Issuer and the Noteholders in no better and no worse position than they would have been had the initial Index continued to apply. The Issuer shall give notice to the Noteholders of any such adjustment in accordance with Condition 17.

(iii) Index Level Adjustment Correction

- (A) The first publication or announcement of the Relevant Level (excluding any “flash” or other estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and, subject to Condition 7.4(c)(v)(B) below, later revisions to the level for such Reference Month will not be used in any calculations. The Issuer shall give notice to the Noteholders of any valid revision in accordance with Condition 17.
- (B) If, within 30 days of publication or at any time prior to a Payment/Delivery Date or date of such other applicable determination under the Notes, as applicable, in respect of which a Relevant Level will be used in any calculation or determination in respect of the Notes, the Calculation Agent determines that the Index Sponsor has corrected the Relevant Level to correct a manifest error, the Calculation Agent shall make such adjustment to any amount payable under the Notes and/or any

other relevant term of the Notes as the Calculation Agent has reasonably determined to give effect to that correction. The Issuer shall give notice to the Noteholders of any such adjustment and/or amount in accordance with Condition 17.

- (C) If a Relevant Level is published or announced at any time after any Cut-off Date in respect of a Payment/Delivery Date in respect of which a Substitute Index Level was determined, the Calculation Agent may either (x) determine that such Relevant Level shall not be used in any calculation or determination under the Notes and that the Substitute Index Level shall be deemed to be the definitive Relevant Level for the relevant Reference Month, or (y) request the Issuer to make any adjustment to any amount payable under the Notes and/or any other relevant term of the Notes as it deems, in agreement with the Issuer, appropriate, necessary and consistent with the adjustments made to the Index and with the intention that the same should leave the Issuer and the Noteholders in no better and no worse position than they would have been had the Relevant Level continued to apply, as a result of the announcement or publication of the Relevant Level and/or determine the amount (if any) that is payable as a result of such publication or announcement. The Issuer shall give notice to the Noteholders of any determination in respect of (x) or (y), together with any adjustment and/or amount in respect thereof, in accordance with Condition 17.

(iv) Rebasing

(A) General

Where this Condition 7.4(c)(iv)(A) is specified as applicable in the relevant Final Terms, the following provisions will apply to the rebasing of the Index.

If the Calculation Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the “**Rebased Index**”) will be used for purposes of determining the Index Level from the date of such rebasing (the “**Rebased Index Level**”). Notwithstanding the foregoing, the Calculation Agent may:

- (1) if Related Bond is specified as applicable in the applicable Final Terms, make any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the Rebased Index Levels so that the Rebased Index Levels reflect the same rate of inflation as the Index before the rebasing; and/or
- (2) if Related Bond is not specified as applicable in the applicable Final Terms or a Related Bond Redemption Event has occurred, the Calculation

Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index Levels reflect the same rate of inflation as the Index before it was rebased,

and in each case the Issuer shall make any adjustments to any amount payable under the Notes and/or any other term of the Notes necessary and consistent with the Rebased Index. Notice of any such adjustment and the effective date thereof shall be given to Noteholders in accordance with Condition 17.

Any such rebasing will not affect any prior payments made under the Notes.

(B) The French CPI

Where this Condition –7.4(c)(iv)(B) is specified as applicable in the relevant Final Terms, the following provisions will apply to the rebasing of the Index.

In the event INSEE decides to proceed with one or more base changes for the purpose of calculating the CPI Monthly Reference Index, the two CPI Monthly Reference Indexes which have been calculated on a different basis will be chained on the basis of the December CPI Monthly Reference Index of the last year of joint publications, which corresponds to the CPI Daily Inflation Reference Index for 1st March of the following year.

Such chaining will be carried out in accordance with the following equation:

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

Such that:

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

(v) Index Modification

(A) If on or prior to the Cut-off Date in respect of any Payment/Delivery Date, the Calculation Agent is informed that an Index Modification has occurred the Calculation Agent shall:

- (1) if Related Bond is specified as applicable in the applicable Final Terms, make any adjustments to the Index, any Relevant Level and/or any other relevant term of the Notes (including, without limitation, any amount payable under the

Securities), consistent with any adjustments made to the Related Bond, or

- (2) if Related Bond is not specified as applicable in the applicable Final Terms or a Related Bond Redemption Event has occurred, make only those adjustments to the Index, any Relevant Level and/or any other term of the Notes (including, without limitation, any amount payable under the Notes), as the Calculation Agent deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification.

- (B) If the Calculation Agent is informed that an Index Modification has occurred at any time after the Cut-off Date in respect of any Payment/Delivery Date, the Calculation Agent may determine, in agreement with the Issuer, either to ignore such Index Modification for the purposes of any calculation or determination made by the Calculation Agent with respect to such Payment/Delivery Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Payment/Delivery Date such that the provisions of Condition 7.4(c)(v)(A) above –will apply, or, notwithstanding that the Index Modification has occurred following the Cut-off Date, to make any adjustments as the Calculation Agent deems fit in accordance with Condition 7.4(c)(v)(A) above.
- (C) Notice of any adjustment made in accordance with this Condition 7.4(c)(v) and the effective date thereof shall be given to Noteholders in accordance with Condition 17.

(vi) Rounding

For purposes of any calculations by the Calculation Agent in connection with the Index, all percentages resulting from such calculations will be rounded, if necessary, either:

- (A) if Related Bond is specified as applicable in the applicable Final Terms, in accordance with the rounding conventions of the documentation governing the Related Bond; or
- (B) if Related Bond is not specified as applicable in the applicable Final Terms,
  - (1) (x) in respect of percentages determined through the use of interpolation by reference to two Index Levels, in accordance with the method set forth in subsection (y) below, but to the same degree of accuracy as the two rates used to make the

calculation (except that such percentages will not be rounded to a lower degree of accuracy than the nearest one thousandth of a percentage point (0.001 per cent.)),

- (2) (y) in all other cases, to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or.09876541) being rounded down to 9.87654 per cent. (or.0987654) and 9.876545 per cent. (or.09876545) being rounded up to 9.87655 per cent. (or.0987655)).

(d) Definitions

Defined terms in this Condition 7.4 shall have the following meaning:

**“Cut-off Date”** means the fifth Business Day prior to a relevant Payment/Delivery Date.

**“Fallback Bond”** means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Index relates and which pays a coupon or redemption amount which is calculated by reference to the Index, with a maturity date which falls on (a) the same day as the Maturity Date, (b) a day that is the closest day to but following the Maturity Date if there is no such bond maturing on the Maturity Date, or (c) a day that is the closest to but preceding the Maturity Date if no bond defined in (a) or (b) is reasonably available for selection by the Calculation Agent. If the Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation linked bonds issued on or before the Issue Date and, if there is more than one inflation linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

**“Index”** means the inflation index specified in the applicable Final Terms or any Successor Index as determined by the Calculation Agent pursuant to Condition 7.4(b).

**“Index Level”** means subject to the provisions of Condition 7.4(c), the first publication or announcement of a level of the Index for the relevant Reference Month.

**“Index Modification”** means the Index Sponsor announces a (in the opinion of the Calculation Agent) material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index.

**“Index Sponsor”** means the entity that publishes or announces (directly or through an agent) the Index Level, which as of the Issue Date is the Index Sponsor specified in the applicable Final Terms.

**“Payment/Delivery Date”** means a day on which a payment or delivery is scheduled to be made in respect of the Notes, the amount of which is to be determined by reference to an Index Level or any Substitute Index Level.

**“Reference Month”** means, as specified in the Final Terms, the relevant calendar month for which the Index Level is reported, regardless of when this information is published or announced. If the period for which the Index Level is reported is a period other than a month, the Reference Month is the period for which the Index Level is reported.

**“Related Bond”** means the bond (if any) specified as such in the applicable Final Terms, provided that, if no bond is specified as the Related Bond, the Related Bond shall be the Fallback Bond. If the Related Bond redeems or matures during the term of the relevant Notes, following such redemption or maturity, the Related Bond shall be the Fallback Bond.

**“Related Bond Redemption Event”** means at any time prior to the Maturity Date, (i) the Related Bond is redeemed, repurchased or cancelled; (ii) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason; or (iii) the issuer of the Related Bond announces that the Related Bond will be redeemed, repurchased or cancelled prior to its stated date of maturity.

## **8. PAYMENTS**

### **8.1 *Method of Payment***

Subject as provided below:

- (a) payments in a Specified Currency other than Euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments in Euro will be made by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee or, at the option of the payee, by a Euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*).

### **8.2 *Presentation of Definitive Bearer Notes and Coupons***

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 8.1 (*Payments – Method of Payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below) and Fixed Rate Notes which specify Interest Payment Date Adjustment as being applicable in the applicable Final Terms or Inflation Linked Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 11 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 12 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Long Maturity Note, Fixed Rate Note which specify Interest Payment Date Adjustment as being applicable in the applicable Final Terms or Inflation Linked Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “**Long Maturity Note**” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

### **8.3 Payments in Respect of Bearer Global Notes**

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified



above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made.

#### **8.4 Payments in Respect of Registered Notes**

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the “**Register**”) at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.\$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, “Designated Account” means the account (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the holder with a Designated Bank and identified as such in the Register and “Designated Bank” means (in the case of payment in a Specified Currency other than Euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) and (in the case of a payment in Euro) any bank which processes payments in Euro.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of the day prior to the relevant due date (the “**Record Date**”) at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition 8.4 arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Rate Agent on behalf of DTC or its nominee for conversion into and payment in U.S. dollars in accordance with the provisions of the Agency Agreement.

None of the Issuer, or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

### ***8.5 General Provisions Applicable to payments***

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream Banking S.A., Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream Banking S.A., Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) 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 in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax or other consequences to the Issuer.

### ***8.6 Payment Day***

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, Payment Day means any day which (subject to Condition 12 (*Prescription*)) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) in the case of Notes in definitive form only, the relevant place of presentation;
  - (B) London and any additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (A) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in Euro, a day on which the TARGET2 System is open; and
- (iii) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Note) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

### **8.7 Interpretation of Principal and Interest**

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 11 (Taxation);
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;

- (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 9.8 (*Redemption and Purchase – Early Redemption Amounts*)), and
- (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 11 (*Taxation*).

## 9. REDEMPTION AND PURCHASE

### 9.1 *Redemption at Maturity*

- (a) Unless previously redeemed or purchased and cancelled as specified below, each Note that is a Fixed Rate Note, a Floating Rate Note or an Inflation Linked Note where Inflation Linked Redemption is specified as Not Applicable in the relevant Final Terms will be redeemed by the Issuer at par or, for Zero Coupon Notes, at an amount specified in the relevant Final Terms (“**Final Redemption Amount**”) in the relevant Specified Currency on the Maturity Date.
- (b) Inflation Linked Redemption
  - (i) Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer by payment on the Maturity Date of a cash amount (the “**Final Redemption Amount**”), determined on the Final Valuation Date by the Calculation Amount, multiplied by the amount (the “**Final Inflation Factor**”) that is determined by dividing:
    - (A) the Inflation Index Level for the calendar month (“**Reference Month**”) specified in the Final Terms as corresponding to the Maturity Date (“**Inflation Index (final)**”); by
    - (B) the Inflation Index Level for the Reference Month specified in the Final Terms as corresponding to the Initial Valuation Date (“**Inflation Index (initial)**”).

The Final Inflation Factor calculation can also be expressed formulaically as:

$$\frac{\text{Inflation Index (final)}}{\text{Inflation Index (initial)}}$$

- (ii) If a final redemption floor is specified as Applicable in the relevant Final Terms, the Final Inflation Factor shall be deemed to be equal to 1 if the calculation pursuant to the Condition 9.1(b)(i) immediately above would result in the Final Inflation Factor being less than 1 (“**Final Redemption Floor**”).

- (c) The following terms as used above have the following meanings:

**“Calculation Amount”** means a nominal amount of the Notes equal to the Specified Denomination (unless a different amount is specified in the Final Terms, in which case, such amount).

**“Inflation Index”** means either the RPI, the HICP, the French CPI, the Italian CPI or the U.S. CPI, as specified in the Final Terms.

**“Inflation Index Level”** means the level of the Inflation Index first published or announced for the relevant Reference Month as specified in the Final Terms, as determined by the Calculation Agent, subject to Condition 7.4.

**“Initial Valuation Date”** means the date specified in the Final Terms.

**“Valuation Date”** means the Initial Valuation Date, the Final Valuation Date or any other date on which the Inflation Index Level is required to be determined.

## **9.2 Redemption for Tax Reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if the Notes are Fixed Rate Notes, Inflation Linked Notes or Zero Coupon Notes) or on any Interest Payment Date (if the Notes are Floating Rate Notes or Inflation Linked Notes) (the **“Early Redemption Date”**), on giving not less than 30 nor more than 60 days’ notice to the Agent and, in accordance with Condition 17 (*Notices*), the Noteholders (which notice shall be irrevocable), if:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 11 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of France or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent a certificate signed by the Finance Director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 9.2 (*Redemption and Purchase – Redemption for Tax Reasons*) will be redeemed at their Early Redemption Amount referred to in Condition 9.8 (*Redemptions and Purchase – Early Redemption Amounts*).

### **9.3 Make-Whole Redemption by the Issuer**

Unless specified as not being applicable in the relevant Final Terms, the Issuer may, having given not less than 15 nor more than 30 calendar days' notice to the Noteholders in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption (each such date, an **"Optional Redemption Date"**)) redeem, in whole or in part, the Notes then outstanding at any time prior to their Maturity Date at their relevant Make-whole Redemption Amount.

**"Calculation Date"** means the third Business Day (as defined in Condition 6.2) prior to the Optional Redemption Date.

**"Make-whole Redemption Amount"** means the sum of:

- (i) the greater of (x) 100 per cent. of the nominal amount of the Notes so redeemed and (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes up to and including the Maturity Date (excluding any interest accruing on the Notes to, but excluding, the relevant Optional Redemption Date) discounted to the relevant Optional Redemption Date on either an annual or a semi-annual basis (as specified in the relevant Final Terms) at the Make-whole Redemption Rate plus a Make-whole Redemption Margin; and
- (ii) any interest accrued but not paid on the Notes to, but excluding, the Optional Redemption Date,

as determined by the Quotation Agent and as notified on the Calculation Date by the Quotation Agent to the Issuer and such other parties as may be specified in the Final Terms.

If a Residual Maturity Call Option (set out in Condition 9.4 below) is specified in the relevant Final Terms and if the Issuer decides to redeem the Notes pursuant to the Make-Whole Redemption before the Initial Residual Call Option Date (as specified in the relevant Final Terms), the Make-whole Redemption Amount will be calculated taking into account the Initial Residual Call Option Date pursuant to Condition 9.4 below and not the Maturity Date.

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

**"Make-whole Redemption Rate"** means the average of the four quotations given by the Reference Dealers of the mid-market yield to maturity of the Reference Security on the third Business Day preceding the Optional Redemption Date at 11:00 a.m. (Central European Time ("CET")) (**"Reference Dealer Quotation"**).

**"Quotation Agent"** means any Dealer or any other international credit institution or financial services institution appointed by the Issuer for the purpose of determining the Make-whole Redemption Amount, in each case as such Quotation Agent is identified in the relevant Final Terms.

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

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

**"Reference Security"** means the security specified as such in the relevant Final Terms. If a Reference Security is no longer outstanding, a Similar Security will be chosen by the Quotation Agent at 11:00 a.m. (CET) on the third Business Day preceding the Optional Redemption Date, quoted in writing by the Quotation Agent to the Issuer and published in accordance with Condition 17 (*Notices*).

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

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Quotation Agent shall (in the absence of manifest error) be final and binding upon all parties. In the case of a partial redemption of Notes, the relevant provisions of Condition 9.6 below shall apply mutatis mutandis to this Condition 9.3

#### **9.4 Residual Maturity Call Option**

If a Residual Maturity Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 17 to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem the Notes, in whole or in part, at par together with interest accrued to, but excluding, the date fixed for redemption, at any time during the period starting on (and including) the Initial Residual Maturity Call Option Date (as specified in the relevant Final Terms), which shall be no earlier than (i) three months before the Maturity Date in respect of Notes having a maturity of not more than 10 years or (ii) six months before the Maturity Date in respect of Notes having a maturity of more than 10 years, and ending on (but excluding) the Maturity Date. 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.

#### **9.5 Clean-up Call Option**

If a clean-up call option is specified in the relevant Final Terms and if 80 percent. or any higher percentage specified in the relevant Final Terms (the "**Clean-up Call Percentage**") of the initial aggregate nominal amount of Notes of the same Series

(which for the avoidance of doubt include any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer or any of its subsidiaries and, in each case, cancelled, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 17 to the Noteholders redeem the Notes, in whole but not in part, at their principal amount together with interest accrued to, but excluding, the date fixed for redemption.

#### **9.6 Redemption at the Option of the Issuer and Partial Redemption**

If a Call Option is specified in the applicable Final Terms, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 17 (*Notices*); and
- (ii) not less than 15 days before the giving of the notice referred to in (i) above, notice to the Agent and, in the case of a redemption of Registered Notes, the Registrar;

(which notices shall be irrevocable and shall specify the date fixed for redemption) redeem all or some only of the Notes then outstanding on any Optional Redemption Date, as specified in the applicable Final Terms, and at the Optional Redemption Amount (being the nominal amount) together with interest accrued to (but excluding) the date fixed for redemption, if any. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream Banking S.A., Luxembourg and/or DTC, as applicable, (to be reflected in the records of Euroclear and/or Clearstream Banking S.A., Luxembourg and/or DTC as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 17 (*Notices*) not less than 15 days prior to the date fixed for redemption.

The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 9.6 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 17 (*Notices*) at least five days prior to the Selection Date.



So long as the Notes are admitted to trading on a Regulated Market and the rules of that stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in accordance with Articles 221-3 and 221-4 of the *Règlement Général* of the AMF and on the website of any other competent authority and/or Regulated Market where the Notes are admitted to trading, a notice specifying the aggregate nominal amount of Notes outstanding.

### **9.7 Redemption at the Option of the Noteholders (Investor Put)**

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 17 (*Notices*) not less than 15 nor more than 30 days' notice, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date, as specified in the applicable Final Terms, and at the Optional Redemption Amount (being the nominal amount) together with interest accrued to (but excluding) the date fixed for redemption. Registered Notes may only be redeemed under this Condition 9.7 in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of the Notes the holder of the Notes must deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 9.7 and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(b) (*Transfers of Registered Notes—Transfers of Registered Notes in Definitive Form*). If the Notes are in definitive form, the Put Notice must be accompanied by the Notes or evidence satisfactory to the Paying Agent concerned that the Notes will, following delivery of the Put Notice, be held to its order or under its control.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where, prior to the due date of redemption, an Event of Default shall have occurred and be continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 13 (*Events of Default*).

For the purpose of this Condition 9.7 (*Redemption at the Option of the Noteholders (Investor Put)*), each Fixed Rate Note and Floating Rate Note will be redeemed at par together with interest unpaid and accrued to (but excluding) the relevant Optional Redemption Date.

## 9.8 Early Redemption Amounts

For the purpose of Condition 9.2 (*Redemption and Purchase—Redemption for Tax Reasons*) above and Condition 13 (*Events of Default*), each Note will be redeemed at its Early Redemption Amount as follows:

- (i) in case of Fixed Rate Notes or Floating Rate Notes, at par together with interest unpaid and accrued to (but excluding) the Early Redemption Date; or
- (ii) in the case of a Zero Coupon Note, at an amount (the “**Amortised Face Amount**”) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

RP means the Reference Price;

AY means the accrual yield expressed as a decimal; and

<sup>y</sup> is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360.

## 9.9 Purchases

The Issuer may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise subject to the applicable laws and/or regulations. All Notes so purchased may be held and resold in accordance with Articles L.213-1-A and D.213-1-A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes, or cancelled.

## 9.10 Cancellation

All Notes which are redeemed or purchased for cancellation by or on behalf of the Issuer will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled or, where applicable, transferred or surrendered for cancellation (together with all unmatured Coupons and Talons cancelled, transferred or surrendered therewith) shall be forwarded to the Agent and cannot be reissued or resold.

### 9.11 *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 9.1, 9.2, 9.3, 9.4, 9.5, 9.6 or 9.7 above or upon its becoming due and repayable as provided in Condition 13 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 9.8(ii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 17 (*Notices*).

## 10. **CHANGE OF CONTROL**

If at any time while any Note remains outstanding there occurs (i) a Change of Control and within the Change of Control Period (if, at the start of the Change of Control Period the Notes are rated by any Rating Agency) a Rating Downgrade in respect of that Change of Control occurs; or (ii) a Change of Control (if at such time the Notes are not rated) (in either case, a **“Put Event”**), the holder of each Note will have the option (the **“Put Option”**) (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice of its intention to redeem the Notes under Condition 9.2 (*Redemption and Purchase – Redemption for Tax Reasons*)) to require the Issuer to redeem or, at the Issuer’s option, to purchase or procure the purchase of that Note on the Change of Control Redemption Date (as defined below) at par together with (or, where purchased, together with an amount equal to) accrued interest to but excluding the Change of Control Redemption Date. A **“Change of Control”** shall be deemed to have occurred at each time (whether or not approved by the Board of Directors of the Issuer) that any person or persons acting in concert or any person or persons acting on behalf of any such person(s) (the **“Relevant Person(s)”**), at any time directly or indirectly come(s) to own or acquire(s) (A) more than 50% of the voting rights normally exercisable at a general meeting of the Issuer; or (B) otherwise the ability to determine in fact through voting rights held (directly or indirectly) by such Relevant Person(s) the decisions taken at ordinary or extraordinary general meetings of the Issuer.

**“Change of Control Period”** means the period commencing on the date that is the earlier of (1) the date of the first public announcement of the relevant Change of Control and (2) the date of the earliest Potential Change of Control Announcement (if any) and ending on the date which is 180 days after the date of the first public announcement of the relevant Change of Control (the **“Initial Longstop Date”**) provided that, unless any other Rating Agency has on or prior to the Initial Longstop Date effected a Rating Downgrade in respect of its rating of the Notes, if a Rating Agency publicly announces at any time on or after the date which is 60 days prior to the Initial Longstop Date up to and including the Initial Longstop Date that it has placed its rating of the Notes under consideration for rating review, the Change of Control Period shall be extended to the date which falls 60 days after the date of such public rating review consideration announcement;

**“Rating Agency”** means any of the following: (a) Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc.; (b) Moody’s Investor Services; (c) any other rating agency of equivalent international standing specified from time to time by the Issuer – and, in each case, their respective successors or affiliates.

A **“Rating Downgrade”** shall be deemed to have occurred in respect of a Change of Control if within the Change of Control Period the rating previously assigned to the Notes by any Rating Agency is (x) withdrawn or (y) changed from an investment grade rating (BBB-/Baa3, or their respective equivalents for the time being, or better) to a non-investment grade rating (BB=/Ba1, or their respective equivalents for the time being, or worse) or (z) if the rating previously assigned to the Notes by any Rating Agency was below an investment grade rating (as described above), lowered by at least one full rating notch (for example, from BB+ to BB or their respective equivalents), provided that a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Change of Control if the Rating Agency making the change in rating does not publicly announce or publicly confirm that the reduction was the result, in whole or part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control.

**“Potential Change of Control Announcement”** means that any public announcement or statement by the Issuer, any actual or potential bidder or any designated advisor thereto relating to any specific and near-term potential Change of Control (whereby “near-term” shall mean that such potential Change of Control is reasonably likely to occur, or is publicly stated by the Issuer, the actual or potential bidder or any such designated advisor to be intended to occur, within twelve months of the date of such announcement or statement).

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a **“Put Event Notice”**) to the Noteholders in accordance with Condition 17 (*Notices*) specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the Put Option contained in this Condition 10.

To exercise the Put Option to require redemption or, as the case may be, purchase of a Note under this Condition 10, the holder of that Note must transfer or cause to be transferred by its Account Holder its Notes to be so redeemed or purchased to the account of the Agent specified in the Put Option Notice for the account of the Issuer within the period (the **“Put Period”**) of 45 days after the Put Event Notice is given together with a duly signed and completed notice of exercise in the form (for the time being currently and in the form substantially set out in the Agency Agreement) obtainable from the specified office of any Paying Agent (a **“Put Option Notice”**) and in which the holder shall specify a bank account to which payment is to be made under this Condition 10.

The Issuer shall redeem or at the option of the Issuer purchase or procure the purchase of the Notes in respect of which the Put Option has been validly exercised as provided above, and subject to the transfer of such Notes to the account of the Paying Agent for the account of the Issuer as described above on the date which is the fifth Business Day following the end of the Put Period (the **“Change of Control Redemption Date”**). The provisions of the second paragraph of Condition 8.1 (*Payments – Method of Payment*) shall apply, mutatis mutandis, to such payments.

For the avoidance of doubt, the Issuer shall have no responsibility for any costs or loss of whatever kind (including breakage costs) which the Noteholder may incur as a result of or in connection with its exercise, or purported exercise, of, or otherwise in connection with, any Put

Option – whether upon the occasion of any purchase or redemption arising therefrom or otherwise.

## 11. TAXATION

- (a) All payments in respect of the Notes and any related Coupons shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges imposed or levied by or on behalf of the Republic of France, or any authority therein or thereof, having the power to tax, unless the withholding or deduction of such taxes is required by law.
- (b) Additional Amounts – – If French law should require that payments of principal or interest in respect of any Note or Coupon be subject to withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Republic of France or any authority therein or thereof having the power to tax the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon, as the case may be:
  - (i) to, or to a third party on behalf of, a holder who is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with the Republic of France other than the mere holding of such Note or Coupon; or
  - (ii) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 8.6 (*Payments – Payment Day*)); or
  - (iii) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or
  - (iv) if the Notes do not benefit from the ruling (*rescrit*) 2010/11 (FP and FE) of the French tax authorities dated 22 February 2010, as mentioned in the tax authorities' guidelines BOI-IR-DOMIC-10-20-20-60-20150320 dated 20 March 2015, when such withholding or deduction is required to be made pursuant to Articles 125 A III, 119 *bis*-2 or 238 A of the *Code Général des Impôts* by reason of that interest or Coupon being (x) paid to an account opened in a financial institution located in, or (y) paid or accrued to a person established or domiciled in, a non-cooperative State or territory (*Etat ou territoire non-coopératif*) as defined in Article 238-0 A of the same code.

As used herein, the Relevant Date means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 17 (*Notices*).

## **12. PRESCRIPTION**

The Notes (whether in bearer or registered form) and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 11 (*Taxation*)) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 12 or Condition 8.2 (*Payments – Presentation of Definitive Bearer Notes and Coupons*) or any Talon which would be void pursuant to Condition 8.2 (*Payments – Presentation of Definitive Bearer Notes and Coupons*).

## **13. EVENTS OF DEFAULT**

### **13.1 *Events of Default***

An Event of Default with respect to any Note shall mean any one or more of the following:

- (i) a default in the timely payment of the principal of (including premium, if any) any Note of the Series of which such Note is a part when due (whether at maturity, upon redemption or otherwise); or
- (ii) if default is made for a period of 15 days or more in the payment of any interest due in respect of any Note of the Series of which such Note is a part; or
- (iii) if the Issuer fails to perform or observe any of its other material obligations under the Agency Agreement or under the Notes of the Series of which such Note is a part and such failure continues for the period of 30 days after the date on which written notice of such failure requiring the same to be remedied shall have been given to the Issuer by the Holders of at least 25% in principal amount of the Outstanding (as defined under “Meetings of Noteholders, Modifications, Waivers and Substitution” below) Notes of the Series of which such Note is a part at the time; or
- (iv) if the Issuer or any Principal Subsidiary defaults in the payment, when and as the same shall become due and payable, of the principal or interest on any of its obligations, or in making any payment due under any guarantee and/or indemnity given by it in relation to obligations, in each case, in respect of borrowed monies where the amount of the default, individually or aggregated with defaults then outstanding, is in excess of €50 million (or its equivalent in any other currency or

composite currency) if such default shall continue for more than the period of grace, if any, applicable thereto or if any such obligations in respect of borrowed monies of or assumed by the Issuer or such Principal Subsidiary (and of like amount) shall have become repayable before the due date thereof as a result of acceleration of maturity by reason of the occurrence of an event of default thereunder; or

- (v) if the Issuer or any Principal Subsidiary (i) shall commence any case or proceeding seeking to have an order for relief entered on its behalf as debtor in a bankruptcy, insolvency, reorganisation, liquidation, dissolution, arrangement, composition, readjustment of debt or similar proceeding or to adjudicate it as bankrupt or insolvent or seeking reorganisation, liquidation, dissolution, winding up, arrangement, composition or readjustment of its debts or any other relief under any bankruptcy, insolvency, reorganisation, liquidation, dissolution, arrangement, composition, readjustment of debt or other similar act or law of any jurisdiction, domestic or foreign, now or hereafter existing; or (ii) shall apply for a receiver, custodian or trustee of it or for all or a substantial part of its property; or (iii) shall make a general assignment for the benefit of creditors; or (iv) shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or (v) shall take any corporate action in furtherance of any of the foregoing; or
- (vi) any case or proceeding against the Issuer or any Principal Subsidiary shall be commenced seeking to have an order for relief entered against it in a bankruptcy, insolvency, reorganisation, liquidation, dissolution, arrangement, composition, readjustment of debt or similar proceeding or to adjudicate it as a bankrupt or insolvent or seeking reorganisation, liquidation, dissolution, winding-up, arrangement, composition or readjustment of its debts or any relief under any bankruptcy, insolvency, reorganisation, liquidation, dissolution, arrangement, composition, readjustment of debt or other similar act or law of any jurisdiction, domestic or foreign, now or hereafter existing; or a receiver, custodian or trustee of the Issuer or any Principal Subsidiary or for all or a substantial part of its property shall be appointed in any such case or proceeding; and such case or proceeding (i) results in the entry of an order for relief or a similar order against it or (ii) shall continue unstayed and in effect for a period of 90 consecutive days.

## 13.2 Definitions

As used above, the following terms shall have the following meanings:

- (i) **“Principal Subsidiary”** means a Consolidated Subsidiary (as defined herein) of the Issuer the value of the Net Equity of which exceeds 5% of the Total Net Equity of the Issuer, or the Net Sales of which exceeds 5% of the Consolidated Net Sales of the Issuer.
- (ii) **“Total Net Equity”** and **“Consolidated Net Sales”**, as determined at any time in respect of any person, mean respectively, the amount set

forth as “Total Equity” or as “Net Sales”, as the case may be, in the most recent audited consolidated financial statements of such person and its Consolidated Subsidiaries.

- (iii) **“Net Equity”** of any Subsidiary, as determined at any time, means that amount set forth in the financial statements of such Subsidiary as total net equity, as of the date of the most recent audited consolidated financial statements of the Issuer and its Consolidated Subsidiaries.
- (iv) **“Net Sales”** of any Subsidiary, as determined at any time, means that amount set forth in the financial statements for such Subsidiary as “Net Sales” for the period corresponding to the period to which the most recent audited consolidated financial statements of the Issuer and its Consolidated Subsidiaries relate.

If an Event of Default with respect to a Note shall have occurred and be continuing, then the Holder of such Note may exercise any right, power or remedy permitted to it by law, and shall have, in particular, without limiting the generality of the foregoing, the right to declare the entire principal of (including premium, if any), and all interest accrued, if any, on such Note to be, and such Note shall thereupon become, forthwith due and payable, without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived.

#### **14. REPLACEMENT OF NOTES, COUPONS AND TALONS**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

#### **15. AGENTS**

The names of the initial Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that;

- (i) there will at all times be an Agent and a Registrar;
- (ii) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or any other relevant authority;
- (iii) so long as any of the Registered Global Notes payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee,



there will at all times be an Exchange Rate Agent with a specified office in New York City; and

- (iv) there will at all times be a Paying Agent in a jurisdiction within continental Europe, other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 8.5 (*Payments – General Provisions Applicable to Payments*). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 17 (*Notices*).

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

## **16. EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 12 (*Prescription*).

## **17. NOTICES**

All notices regarding the Bearer Notes will be deemed to be validly given if published (i) in a leading English language daily newspaper of general circulation in London (which is expected to be the *Financial Times*) or (ii) so long as the Notes are listed and admitted to trading on Euronext Paris and the rules of Euronext Paris so require, in accordance with Articles 221-3 and 221-4 of the *Règlement Général* of the AMF. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream

Banking S.A., Luxembourg, and/or DTC be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream Banking S.A., Luxembourg and/or DTC for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to Euroclear and/or Clearstream Banking S.A., Luxembourg and/or DTC.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent or the Registrar through Euroclear and/or Clearstream Banking S.A., Luxembourg and/or DTC, as the case may be, in such manner as the Agent, the Registrar and Euroclear and/or Clearstream Banking S.A., Luxembourg, and/or DTC as the case may be, may approve for this purpose.

## **18. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION**

The provisions of the French *Code de commerce* relating to the *masse* will not apply to the Holders of the Notes.

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by the Noteholders' extraordinary resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer and shall be convened by the Issuer if required in writing by Noteholders holding not less than 25% in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an extraordinary resolution of the Noteholders is one or more persons holding or representing not less than 50% in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An extraordinary resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification (except as mentioned above) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or

- (b) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 17 (*Notices*) as soon as practicable thereafter.

## **19. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the issue date, and amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes; provided that any further notes consisting of Registered Notes shall be issued under a separate CUSIP, ISIN or CINS unless the further notes are issued pursuant to a “qualified reopening” of the original series, are otherwise treated as part of the same “issue” of debt instruments as the original series or are issued with no more than a *de minimis* amount of original discount, in each case for U.S. federal income tax purposes. For the purpose of French law, such further notes shall be assimilated (“*assimilables*”) to the Notes as regards their financial service.

## **20. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## **21. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **21.1 *Governing Law***

The Agency Agreement, the Deed of Covenant, the Deed Poll, the Notes and the Coupons and any non-contractual obligation arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Deed Poll, the Notes and the Coupons are governed by, and shall be construed in accordance with, English law, except for Condition 3 (*Status*), which shall be governed by, and construed in accordance with, French law.

### **21.2 *Submission to Jurisdiction***

The Issuer, the Noteholders and the Couponholders irrevocably agree for their mutual benefit that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes and/or the Coupons and that accordingly any suit, action or proceedings (together referred to as “**Proceedings**”) arising out of or in connection with this Agreement shall be brought in such courts.

The Issuer, the Noteholders and the Couponholders waive any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum.

### **21.3 *Appointment of Process Agent***

The Issuer appoints Saint-Gobain Limited at its registered office at Saint-Gobain House, Binley Business Park, Coventry, CV3 2TT as its agent for service of process, and undertakes that, in the event of Saint-Gobain Limited ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

#### **21.4 *Waiver of Immunity***

The Issuer hereby irrevocably and unconditionally waives with respect to the Notes and the Coupons any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence and irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

#### **21.5 *Other Documents***

The Issuer has in the Agency Agreement, the Deed of Covenant and the Deed Poll submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

## NOTES IN GLOBAL FORM

The Notes of each Series will be either in bearer form, with or without interest coupons attached, or in registered form, without interest coupons attached. Bearer Notes will be sold by Dealers outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”) and Registered Notes will be sold by Dealers both outside the United States in reliance on the exemption from registration provided by Regulation S and within the United States in reliance on Rule 144A or another exemption under the Securities Act, for offers and sales that do not involve a public offering.

### **Bearer Notes**

#### *Issue*

Each Tranche of Bearer Notes will be in bearer form and will be initially issued in the form of a temporary bearer global note (a “**Temporary Bearer Global Note**”) or, if so specified in the applicable Final Terms, a permanent Global Note (a “**Permanent Bearer Global Note**” and, together with the Temporary Bearer Global Note, the “**Bearer Global Notes**”).

If the Bearer Global Notes are stated in the applicable Final Terms to be issued in new global note (“**NGN**”) form, the Global Notes will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, *société anonyme* (“**Clearstream Banking S.A., Luxembourg**”). Global Notes which are not issued in NGN form (“**Classic Global Notes**” or “**CGNs**”) will be delivered on or prior to the original issue date of the Tranche to a common depositary (the “**Common Depositary**”) for Euroclear and Clearstream Banking S.A., Luxembourg.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the relevant clearing system(s) will be notified whether or not such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day operations by the Eurosystem either upon issue or at any times during their life as such recognition depends on the satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream Banking S.A., Luxembourg or another entity approved by Euroclear and Clearstream Banking S.A., Luxembourg.

If the Bearer Global Note is a NGN, the principal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream Banking S.A., Luxembourg. The records of such clearing system shall be conclusive evidence of the principal amount of Notes represented by the Bearer Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Whilst any Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Bearer Global Note (if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream Banking S.A., Luxembourg and Euroclear and/or Clearstream Banking S.A.,

Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent.

### ***Exchange***

On and after the date (the Exchange Date) which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a Permanent Global Note of the same Series or (b) for definitive Bearer Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain other United States persons will not be able to receive definitive Bearer Notes. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached only upon the occurrence of an Exchange Event. For these purposes, "Exchange Event" means that (i) an Event of Default (as defined in Condition 13 (*Events of Default*)) has occurred and is continuing, or (ii) the Issuer has been notified that both Euroclear and Clearstream Banking S.A., Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available, or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by this global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 17 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream Banking S.A., Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Agent.

### ***Transfers***

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream Banking S.A., Luxembourg, as the case may be.

### ***Payments***

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream Banking S.A., Luxembourg against presentation or surrender (as the case may be) of the Permanent Bearer Global Note (if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any requirement for certification.

## Registered Notes

### *Issue*

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form (a “**Regulation S Global Note**”). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 (*Transfers of Registered Notes*) and may not be held otherwise than through Euroclear or Clearstream Banking S.A., Luxembourg and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche may only be offered and sold in the United States or to U.S. persons in private transactions (i) to “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act (“**QIBs**”) or (ii) to “accredited investors” (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) that are institutions (“**Institutional Accredited Investors**”) who agree to purchase the Notes for their own account and not with a view to the distribution thereof and who execute and deliver an IAI Investment Letter. The Registered Notes of each Tranche sold to QIBs and Institutional Accredited Investors will be represented by a global note in registered form (a “**Rule 144A Global Note**” and, together with a Regulation S Global Note, the “**Registered Global Notes**”)

Registered Global Notes will either (i) be deposited with a custodian for, and registered in the name of a nominee of, DTC for the accounts of its participants (including, Euroclear and Clearstream Banking S.A., Luxembourg, if relevant) or (ii) be deposited with a common depositary or (iii) if the Registered Global Notes are to be held under the new safekeeping structure (the “**NSS**”), be delivered to a common safekeeper for Euroclear and Clearstream Banking S.A., Luxembourg, and registered in the name of the nominee for the common depositary of, Euroclear and Clearstream Banking S.A., Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 8.4 (*Payments – Payments in Respect of Registered Notes*)) as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Where the Registered Global Notes issued in respect of any Tranche are intended to be held under the NSS, the applicable Final Terms will indicate whether or not such Registered Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Registered Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for a Registered Global Note held under the NSS will either be

Euroclear or Clearstream Banking S.A., Luxembourg or another entity approved by Euroclear and Clearstream Banking S.A., Luxembourg.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 8.4 (*Payments – Payments in Respect of Registered Notes*)) immediately preceding the due date for payment in the manner provided in that Condition.

### ***Exchange***

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, Exchange Event means that (i) an Event of Default has occurred and is continuing, (ii) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act, (iii) in the case of Notes registered in the name of a nominee for a common depository or common safekeeper for Euroclear and Clearstream Banking S.A., Luxembourg, the Issuer has been notified that both Euroclear and Clearstream Banking S.A., Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iv) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 17 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream Banking S.A., Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

### **Transfers**

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note or in the form of a Definitive IAI Registered Note and Definitive IAI Registered Notes may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such Notes in the form of an interest in a Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream Banking S.A., Luxembourg, in each case to the extent applicable. **Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see “Subscription and Sale and Transfer and Selling Restrictions”.**

### ***Payments***

Payments of principal, interest (if any) or any other amounts on a Registered Global Note will be made through DTC, Euroclear and/or, Clearstream Banking S.A., Luxembourg, following which payment will be made to the registered holder.



## **General**

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CUSIP and CINS number which are different from the common code, ISIN, CUSIP and CINS assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche; provided that any further Tranche of Notes shall be issued under a separate CUSIP, ISIN or CINS unless the further Tranche of Notes are issued pursuant to a “qualified reopening” of the original series, are otherwise treated as part of the same “issue” of debt instruments as the original series or are issued with no more than a *de minimis* amount of original discount, in each case for U.S. federal income tax purposes.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream Banking S.A., Luxembourg each person (other than Euroclear or Clearstream Banking S.A., Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream Banking S.A., Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream Banking S.A., Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

So long as DTC or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and such Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Any reference herein to Euroclear and/or Clearstream Banking S.A., Luxembourg and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 13 (*Events of Default*). In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Conditions and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then the Global Note will become void at 8.00 p.m. (London time) on such day. Holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream Banking S.A., Luxembourg, and/or DTC as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear, Clearstream Banking S.A., Luxembourg and/or DTC as the case may be, on and subject to the terms of a deed of covenant (the “**Deed of Covenant**”) dated 9 June 2020 and executed by the Issuer. In addition, holders of interests in

such Global Note credited to their accounts with DTC may require DTC to deliver Definitive Notes in registered form in exchange for their interest in such Global Note in accordance with DTC's standard operating procedures.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes.

## **INFORMATION ABOUT THE ISSUER**

The description of the Issuer set out in the Universal Registration Document 2019 has been incorporated by reference into this Base Prospectus (see section "*Documents Incorporated by Reference*" of this Base Prospectus).

## **RECENT DEVELOPMENTS**

**On 10 March 2020, the Issuer published the following press release:**

### **SAINT-GOBAIN DIVESTS PART OF ITS GLASS PROCESSING BUSINESS IN GERMANY**

Saint-Gobain has sold part of its glass transformation business Glassolutions in Germany to DIK Deutsche Industriekapital GmbH, a Berlin-based investment firm.

The divestment concerns seven sites: Bremen, Flensburg, Freiburg, Kiel, Murr, Potsdam and Rostock. These sites employ a total of 350 people and delivered sales of €45 million in 2019.

Saint-Gobain Glassolutions will remain present in Germany through its large glass transformation sites for industrial clients in particular, as well as its sites with specific areas of expertise such as in solar glass or curved glass.

This disposal is part of Saint-Gobain's continued portfolio optimization strategy in the context of its new organization to enhance the Group's growth and profitability profile.

**On 23 March 2020, the Issuer published the following press release:**

**SAINT-GOBAIN PUTS IN PLACE NECESSARY MEASURES TO ADAPT TO THE CORONAVIRUS PANDEMIC**

Saint-Gobain's businesses are disrupted in the countries impacted by the coronavirus, with very different situations from one country to another.

Since the start of the health crisis in China, the Group has taken the necessary measures to ensure the health of its employees, customers, suppliers and other stakeholders. It is cooperating with the authorities in each country where it is present.

In terms of its business activity, Saint-Gobain is quickly adapting to the evolution in demand, aiming for operational continuity, depending on the health situation and on government decisions in each country, whilst reducing costs (reduction of teams, partial unemployment or stoppages) and prioritizing the health of its stakeholders:

- In our distribution activities, which mostly serve trade professionals rather than the general public, the Group has adjusted its service offering to customers over the last few days, with new procedures in terms of orders for collection, delivery and via online and telephone orders; in particular, certain brands in France that were closed for a few days have progressively recommenced business;

- In our manufacturing activities, sites have made the necessary adjustments given the impacts of the crisis on the value chain, in particular in the automotive market. The operation of our factories is continuously adapted as the situation evolves, in a very flexible manner within the new organization. In this respect, all of our Chinese factories have restarted operations, following the rapid improvement in demand.

Given the context, Saint-Gobain is taking all necessary actions to limit the effects of the pandemic on its operating profit and cash as much as possible:

- Much greater decrease in capital expenditure than the €200m reduction initially planned for 2020 versus 2019 by deferring all possible projects that were scheduled in the coming months;
- Adaptation of cost structure and postponement of expenses, using local measures where appropriate, in particular unemployment and partial unemployment;
- Ever tighter monitoring of working capital evolution.

The Group has a very solid financial position and has the necessary cash and financing in place to cope with the consequences of the pandemic. As of December 31, 2019 the Group's cash and cash equivalents stood at €5.0 billion.

In addition, the financing sources available to the Group have recently been further reinforced given the current context:

- A new syndicated credit line of €2.5 billion, in addition to the confirmed and undrawn backup credit lines of €4.0 billion;
- Access to the new Pandemic Emergency Purchase Program (PEPP) launched by the European Central Bank on March 18, 2020.

At the publication of its 2019 results Saint-Gobain set out its outlook for 2020 subject to the impact of the coronavirus. Given the pandemic, the guidance for 2020 is no longer valid and it is not currently

possible to evaluate its impact on the Group's businesses. The Group will provide an update at the publication of its first-quarter 2020 sales on April 23.

**On 30 March 2020, the Issuer published the following press release:**

**SAINT-GOBAIN FURTHER REINFORCES ITS FINANCING: €1.5 BILLION BOND ISSUE AND SYNDICATED CREDIT LINE ADJUSTED TO €2 BILLION**

On March 26, Saint-Gobain launched a dual tranche €1.5 billion bond issue consisting of:

- €750 million with a 3 year maturity and a 1.75% coupon
- €750 million with a 7 1/2 year maturity and a 2.375% coupon

Despite the volatile context, the final order book totalled over €8 billion from over 300 investors, which underlines bond investors' confidence in the credit quality of Saint-Gobain.

Saint-Gobain's long-term senior debt is rated BBB by Standard & Poor's and Baa2 by Moody's.

BNP Paribas, CA-CIB, Citi, J.P. Morgan, Natixis and Société Générale acted as bookrunners for this bond issue.

This transaction enables Saint-Gobain to further reinforce its liquidity, with longer maturity debt. Following the bond issue, the syndicated credit line announced on March 23 will be reduced from €2.5 billion to €2.0 billion. With these two transactions Saint-Gobain secures €3.5 billion in new financing, compared to €2.5 billion as of March 23.

This new financing is in addition to the confirmed and undrawn back-up credit lines of €4.0 billion and access to the Pandemic Emergency Purchase Program (PEPP) launched by the European Central Bank.



**On 14 April 2020, the Issuer published the following press release:**

**COMPAGNIE DE SAINT-GOBAIN’S BOARD OF DIRECTORS CO-OPTED MS. SIBYLLE DAUNIS AS DIRECTOR REPRESENTING EMPLOYEE SHAREHOLDERS**

Following Mr. Jacques Pestre’s decision to retire, the Board of Directors co-opted Ms. Sibylle Daunis, the new Chairman of the Supervisory Board of the “Saint-Gobain PEG France” Group employee savings plan, as Director representing employee shareholders<sup>1</sup>.

Ms. Sibylle Daunis, 45 years old, is currently Chief Executive Officer of PUM, one of Saint-Gobain’s Distribution trading brands in France specializing in the sale of products and solutions in synthetic materials for the construction and infrastructure markets, with 210 outlets across the country. She will bring her in-depth knowledge of the Group, within which she has been working for more than 15 years, especially in the sector of distribution, to the Board of Directors as well as her experience in marketing, transformation and digital innovation, given her particularly successful experience in the digitalization of the trading brand she currently manages.

This mandate is granted for the remainder of Mr. Jacques Pestre's term, i.e. until the close of the General Shareholders’ Meeting to be held to approve the financial statements for the year ending December 31, 2022. This co-optation is subject to approval at the General Shareholders’ Meeting to be held on June 4, 2020.

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<sup>1</sup> Ms. Sibylle Daunis’s business address is PUM, 4 rue René Francart, 51100 Reims, France.

**On 23 April 2020, the Issuer published the following press release:**

**First-quarter 2020 sales**  
**€9,363 million:**  
**down 4.9% like-for-like**

- Volumes down 5.5% as a result of disruptions related to the coronavirus pandemic, with very different situations from one country to the next
- Prices holding up well, up 0.6% in a slightly inflationary cost environment
- Negative currency impact of 0.5% and negative Group structure impact of 4.4%, reflecting disposals carried out in the context of “Transform & Grow” and the consolidation of Continental Building Products
- No dividend distribution in respect of 2019
- General Shareholders’ Meeting to be held behind closed doors on June 4, 2020 and streamed live on the Group’s website

**Pierre-André de Chalendar, Chairman and Chief Executive Officer of Saint-Gobain, commented:**

*“In the unprecedented context of the coronavirus pandemic, Saint-Gobain has reacted firmly and efficiently thanks to the new organization by country and by market, taking decisions locally and coordinating internationally. Our priorities are clear. First and foremost, we want to protect the health and safety of the Group’s employees and other stakeholders across the globe. Secondly, we have further strengthened our liquidity and cash with new financing facilities, significantly cut planned investments and are strictly monitoring working capital. In addition to this financial solidity, the Group is adapting its production by reducing costs and using the available government-backed measures, particularly in terms of partial unemployment. Together with Benoit Bazin, Chief Operating Officer, I would like to thank all of our teams for their commitment and their responsiveness, and for leading by example. In the current context, the Board of Directors has today decided not to recommend any dividend distribution to the June 4, 2020 Shareholders’ Meeting. Depending on how the situation evolves, it will review the Group’s shareholder return policy by the end of the year.*

*Given the impact of the global economic crisis caused by the coronavirus, the Group expects a challenging second quarter 2020 before a recovery in the second half. Due to the scale of the current uncertainties and the very different patterns of recovery from one country to the next, the Group is not currently in a position to give an earnings outlook for 2020.”*

€ million	Sales Q1 2019	Sales Q1 2020	Change on an actual structure basis	Change on a comparable structure basis	Like-for-like change
High Performance Solutions	1,893	1,712	-9.6%	-8.5%	-8.4%
Northern Europe	3,660	3,219	-12.0%	-0.9%	-0.2%
Southern Europe - ME & Africa	3,386	2,983	-11.9%	-8.9%	-8.9%
Americas	1,307	1,370	+4.8%	-2.2%	-0.5%
Asia-Pacific	426	337	-20.9%	-11.6%	-12.7%
<i>Internal sales and misc.</i>	-294	-258	---	---	---
<b>Group Total</b>	<b>10,378</b>	<b>9,363</b>	<b>-9.8%</b>	<b>-5.4%</b>	<b>-4.9%</b>

Sales were down 4.9% on a **like-for-like** basis. Despite a good start to the year in the European Regions and in the Americas, March saw the effects of the coronavirus spread beyond Asia-Pacific to the rest of the world. Volumes contracted 5.5% while prices rose 0.6% amid low inflation in energy and raw material costs.

On a reported basis, **sales** totaled **€9,363 million**, with a negative **currency effect** of 0.5% related mainly to the depreciation of the Brazilian real and Nordic krona. Note that the depreciation of these currencies was more pronounced in March alone (down 2.2%), along with that of the pound sterling and other emerging country currencies.

**Changes in Group structure** had a negative 4.4% impact on sales, chiefly reflecting disposals carried out as part of “Transform & Grow”, with negative structure impacts of 11.1% in Northern Europe (Distribution in Germany, Optimera in Denmark), 3.0% in Southern Europe - Middle East & Africa (in France with DMTP and K par K in distribution and expanded polystyrene, in the Netherlands with Glassolutions) and 9.3% in Asia-Pacific (Hankuk Glass Industries in South Korea). The structure impact also reflects the consolidation of our strong positions (Continental Building Products in North America as from February), and acquisitions in new niche technologies and services (American Seal), as well as in emerging countries (gypsum and mortars in Latin America). In light of the hyperinflationary environment in Argentina, this country which represents less than 1% of the Group’s consolidated sales, is excluded from the like-for-like analysis.

#### Segment performance (like-for-like sales)

**High Performance Solutions (HPS)** sales fell 8.4%, hit by slowing industrial markets and the initial impacts of the coronavirus, particularly in the automotive market in March.

- **Mobility** continued to outperform the automotive market, thanks mainly to its exposure to high value-added products and electric vehicles. After a good start to the year, it reported a sharp decline in sales in March following the gradual shutdown of automotive manufacturing plants around the world. Only the Chinese business saw its situation improve in March compared to the start of the year.
- As from mid-March, **Industry** also saw a sharp slowdown in industrial markets in most regions.
- Activities serving the **Construction Industry** saw further growth, including in March, buoyed by gains in market share and upbeat trends in external thermal insulation solutions (ETICS).
- **Life Sciences** continued to enjoy a strong growth dynamic in the pharmaceutical and medical sector, benefiting from recent investments in additional capacity. The business is also engaged in the fight against the coronavirus, prioritizing components for critical medical devices (silicone membranes, flexible tubes, filters, connectors and fixings) used in respirators, ventilators and infusion pumps in particular.

**Northern Europe** stabilized over the quarter, slipping 0.2%, thanks to a good start to the year in January and February and a limited coronavirus impact in March, except in the UK during the last week of the month.

Nordic countries reported good sales growth over the quarter, including in March, particularly in Distribution which benefited from good momentum in the renovation market. Germany and Eastern Europe progressed over the quarter as well as in March, with local construction activities relatively unscathed except glass towards the end of the month, which is adapting its production in line with the drop in demand. Only UK sales suffered over the quarter, experiencing a sharp downturn at the end of the period with all operations at a virtual standstill.

**Southern Europe - Middle East & Africa** reported an 8.9% decrease in sales. After a good start to the year in January-February, March was affected by the lockdown measures put in place across much of the Region.

France delivered robust growth at the beginning of the year, buoyed by a dynamic renovation market which benefited Distribution and energy efficiency solutions. In March, France came to a standstill for several days after lockdown measures were introduced, before business partially resumed as from March 23. Spain, Italy, the Middle East and Africa saw their operations penalized to an increasing extent by the restrictions put in place in March. Only the Netherlands reported quarterly and March sales that remained relatively unaffected by the coronavirus.

Sales in the **Americas** remained virtually stable, slipping 0.5%, thanks to a good start to the year in January and February. North America benefited from stable volumes over the quarter and from slightly higher prices in a dynamic construction market before the impact of the coronavirus. Gypsum delivered double-digit like-for-like volume growth over the quarter. The integration of Continental Building Products is progressing well, in line with expectations, and allows the Group to considerably strengthen its geographic footprint. In March, most plants remained operational in the US, with most states considering construction an essential industry. Latin America had a good start to the year in January-February, before disruptions hit construction markets in March due to the quarantine measures introduced in various countries and certain Brazilian states, where construction activity was generally no longer permitted.

**Asia-Pacific** reported a 12.7% contraction in sales.

As the first country to be affected by the coronavirus, the Group's operations in China hit a low in February, before resuming all production in early March to meet the gradual increase in demand observed throughout the month, which accelerated significantly in the last few days of March. This rally allowed local construction businesses to reach their prior-year levels as from mid-April. Other Asian countries have seen varying degrees of disruption, with very limited effects in Japan and South Korea and increasingly more pronounced effects in South-East Asia. After two months of double-digit growth supported by productivity solutions (plaster and mortars), India was placed under total lockdown on March 24, leading to the shutdown of industry.

#### **Update on operations as of mid-April**

Prioritizing the health and safety of all of our employees and other stakeholders, the Group is working to achieve operational continuity in each country by quickly adapting to changes in demand depending on the health situation and on local government decisions.

- **High Performance Solutions (HPS):** automotive activities have significantly adjusted their production and, with the exception of China which has seen operations resume, are manufacturing only very small volumes in light of plant shutdowns by their customers. These activities are expected to gradually resume in line with the recovery in automotive production. Adjustments were also made in other activities serving industrial markets, although most sites remain operational and continue to serve their customers. After hitting a low point in the second

quarter, all these industrial activities should see a gradual recovery. Elsewhere, the Construction Industry and Life businesses continue to show further growth.

- **Northern Europe:** disruptions across the Region vary widely from one country to the next. While Nordic countries, Germany and Eastern Europe all reported a good level of trading in the first quarter and remain, relatively speaking, little affected, the UK has been at a virtual standstill since the end of March and is in the process of starting up again.
- **Southern Europe - Middle East & Africa:** the Region has seen substantial disruptions, although trends point to a gradual resumption of business. After a shutdown of several days in France in the week of March 23 so that new operating and health procedures could be put in place, the majority of Distribution outlets have reopened and reported a constant improvement in trading, up from 25% of 2019 levels at the end of March to more than 50% already by mid-April, in line with industrial activities. Most of Italy remains shut down, while operations have resumed in Spain. Operations in the Netherlands remain relatively unaffected, while the Middle East and Africa have been impacted in varying degrees. After significant disruptions in the second quarter, construction markets should show a substantial improvement.
- **Americas:** the situation across North America is mixed, depending on each state, with business slowing in April but almost all plants generally able to continue operating, with the construction sector often considered an essential industry. Latin America is trading at approximately 40% of its 2019 level, with the situation varying widely depending on the business and type of market; after coming to an abrupt halt at the end of March, the construction sector is ramping up again in Brazil. After an overall decline in the second quarter, markets should return to some degree of normality.
- **Asia-Pacific:** after the gradual restart of all of its production sites in China in March, construction sales in the country accelerated and at mid-April had reached the level recorded for the same period in 2019. India remains at a standstill. Other Asian countries have seen varying degrees of disruption, which are limited in Thailand and Vietnam. After a challenging second quarter outside China, Asia-Pacific should show a substantial improvement.

### **Measures put in place to address the coronavirus pandemic**

Since the start of the pandemic, Saint-Gobain has taken all necessary steps in real time to limit its impacts as far as possible. The Group's new organization by country and by market, put in place within the scope of "Transform & Grow", has given it the agility and flexibility it needs to take decisions quickly at the local level and to coordinate internationally by sharing the experience of its different countries. The Group has the following priorities:

#### **Ensure employee health and safety:**

Since the outbreak of the health crisis in China, the Group has taken the necessary measures to protect the health of its employees and other stakeholders, by putting in place strict hygiene measures adapted to its different businesses, encouraging working from home wherever possible and cooperating with the authorities in each country where it is present.

#### **Strengthen liquidity:**

The Group has a very solid financial position in terms of cash and financing. At March 31, 2020, the Group's cash and cash equivalents represented an estimated €3.8 billion, before taking into account the €1.5 billion bond issue at the end of March (proceeds received on April 3). In light of the current environment, the Group also recently reinforced its financing sources:

- A €1.5 billion bond issue on March 26, consisting of €750 million with a 3 year maturity and a 1.75% coupon, and €750 million with a 7½ year maturity and a 2.375% coupon;
- A syndicated credit line totaling €2.0 billion, including €1.0 billion drawn for a bond repayment of the same amount at the end of March, in addition to the confirmed and undrawn back-up credit lines of €4.0 billion;
- Access to the new commercial paper Pandemic Emergency Purchase Program (PEPP) launched by the European Central Bank on March 18, 2020.

#### **Preserve cash:**

- Swiftly adapting production (reduction of teams or stoppages) to local demand on a site-by-site basis, thanks to permanent contact with our customers;
- Reducing costs and discretionary spending and using the appropriate local measures, in particular in terms of employment and partial unemployment, in addition to the cost savings planned for 2020 as part of “Transform & Grow”;
- Focusing constantly on the price-cost spread, with strict pricing discipline;
- Reduction in capital expenditure in 2020 of more than €500 million compared to 2019;
- Strict monitoring of working capital, with the aim of limiting inventory levels and tracking inflows of customer payments on a daily basis;
- Cancellation of the dividend: given the current context of the coronavirus pandemic and the introduction of partial unemployment measures, the Board of Directors has today decided not to recommend any dividend distribution to the June 4, 2020 Shareholders’ Meeting. Although the Group recently further strengthened its liquidity, the Board of Directors considered that this exceptional decision was in the best interests of the Group and its stakeholders, given the uncertainty as to the impact and duration of the crisis, and the caution required at this time. Depending on how the situation evolves, it will review the Group’s shareholder return policy by the end of the year.

#### **Decision by Pierre-André de Chalendar, Benoit Bazin and the Directors of the Board to reduce their compensation**

Pierre-André de Chalendar, Chairman and Chief Executive Officer of Saint-Gobain, and Benoit Bazin, Chief Operating Officer, wish to show their solidarity with the efforts being made by the Group’s employees and stakeholders impacted by this unprecedented crisis. Consequently, they have informed the Board of Directors of their decision to waive 25% of their compensation to be paid in 2020 for as long as the Group’s employees are subject to partial employment in the context of the emergency measures taken by the Government to halt the spread of the coronavirus epidemic. Saint-Gobain will donate the unpaid compensation to the Paris public hospitals foundation (*Fondation de l’Assistance Publique – Hôpitaux de Paris*, AP-HP).

In a similar move of solidarity, the Directors of the Board have decided to join this effort by also waiving 25% of their compensation for the same period. Saint-Gobain will donate the unpaid compensation to charities, with the aim of supporting fragile populations impacted by the coronavirus.

#### **Outlook**

**Given the impact of the global economic crisis caused by the coronavirus, the Group expects a challenging second quarter 2020 before a recovery in the second half. Due to the scale of the current uncertainties and the very different patterns of recovery from one country to the next, the Group is not currently in a position to give an earnings outlook for 2020.**

Saint-Gobain’s medium and long-term outlook remains robust thanks to its enhanced profile as part of “Transform & Grow” and to its successful strategic choices. The strategy of differentiation and innovation puts Saint-Gobain in the best position to benefit from its three profitable growth drivers: sustainability, productivity and well-being.

## Financial calendar

- First-half 2020 results: *July 30, 2020*, after close of trading on the Paris Bourse.

Analyst/Investor relations	Press relations
Vivien Dardel Floriana +33 1 47 62 44 29	Laurence Pernot +33 1 47 62 30 10
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A conference call will be held at 6:30pm (Paris time) on April 23, 2020: +33 1 72 72 74 03, dial-in code: 53318217#

### Glossary:

Indicators of **organic growth** and **like-for-like changes in sales** reflect the Group's underlying performance excluding the impact of:

- changes in Group structure, by calculating indicators for the year under review based on the scope of consolidation of the previous year (Group structure impact);
- changes in foreign exchange rates, by calculating the indicators for the year under review and those for the previous year based on identical foreign exchange rates for the previous year (currency impact);
- changes in applicable accounting policies.

## Appendix 1: Prices and Volumes on organic growth sales by Segment

First-quarter 2020	Like-for-like change	Prices	Volumes
High Performance Solutions	-8.4%	+1.5%	-9.9%
Northern Europe	-0.2%	-0.2%	+0.0%
Southern Europe - ME & Africa	-8.9%	+0.9%	-9.8%
Americas	-0.5%	+0.4%	-0.9%
Asia-Pacific	-12.7%	-1.3%	-11.4%
<b>Group Total</b>	<b>-4.9%</b>	<b>+0.6%</b>	<b>-5.5%</b>

## Appendix 2: Breakdown of organic sales growth and external sales

First-quarter 2020	Like-for-like change	% Group
<b>High Performance Solutions</b>	<b>-8.4%</b>	<b>18%</b>
<i>Mobility</i>	-10.5%	8%
<i>Other industries</i>	-7.0%	10%
<b>Northern Europe</b>	<b>-0.2%</b>	<b>34%</b>
<i>Nordics</i>	+4.2%	12%
<i>United Kingdom - Ireland</i>	-8.7%	10%
<i>Germany - Austria</i>	+1.0%	4%
<b>Southern Europe - ME &amp; Africa</b>	<b>-8.9%</b>	<b>31%</b>
<i>France</i>	-9.3%	23%
<i>Spain - Italy</i>	-10.2%	4%
<b>Americas</b>	<b>-0.5%</b>	<b>14%</b>

	<i>North America</i>	+0.3%	10%
	<i>Latin America</i>	-2.1%	4%
<b>Asia-Pacific</b>		<b>-12.7%</b>	<b>3%</b>
<b>Group Total</b>		<b>-4.9%</b>	<b>100%</b>

### **Appendix 3: Industry and Distribution Europe**

€ million	<b>Sales Q1 2019</b>	<b>Sales Q1 2020</b>	Change on an actual structure basis	Change on a comparable structure basis	<b>Like- for-like change</b>
Industry Europe	2,520	2,360	-6.3%	-4.6%	-4.6%
Distribution Europe	4,640	3,926	-15.4%	-4.9%	-4.3%



**On 26 May 2020, the Issuer published the following press release:**

**SAINT-GOBAIN GROUP TO DISPOSE OF ITS SHAREHOLDING IN SIKA**

Saint-Gobain, through its subsidiary Schenker-Winkler Holding AG (SWH), initiates the disposal of its entire stake in Sika of approximately 15.2 million shares, representing 10.75% of Sika's share capital, through a private placement to qualified institutional investors by way of an accelerated book-building process (the "Private Placement").

Saint-Gobain acquired its 10.75% interest in Sika indirectly through the acquisition of 100% of SWH shares from the Burkard family in May 2018 as part of a global agreement with the Burkard family and Sika.

Following expiry of the 2-year lock-up period set out in the May 2018 agreement with Sika, Saint Gobain and SWH decided to dispose of the Sika shareholding. Sika has chosen not to exercise its right of first offer.

The Private Placement will start immediately. The outcome and final terms of the Private Placement are expected to be announced on May 27, 2020 at the latest. Settlement for the Private Placement is expected to take place on May 29, 2020.

Citigroup is acting as Sole Global Coordinator on the Private Placement.

Citigroup and Lazard are acting as financial advisers to Saint-Gobain.

**On 27 May 2020, the Issuer published the following press release:**

**SAINT-GOBAIN GROUP COMPLETES SALE OF SIKA SHARES FOR CHF2.56 BILLION**

- Saint-Gobain today announces the successful completion of the sale by its subsidiary Schenker-Winkler Holding AG of approximately 15.2 million Sika shares, representing its full stake of 10.75% of Sika's share capital, for a total of CHF2.56 billion. The shares were placed via a private placement to qualified institutional investors by way of an accelerated bookbuilding process.
- As a result of this disposal, Saint-Gobain has generated gross gains of €1.54 billion since May 2018<sup>1</sup>.

The disposal of the stake in Sika enables Saint-Gobain to strengthen its balance sheet. Saint Gobain acquired its 10.75% stake in Sika as part of a global agreement with Sika and the Burkard family in May 2018. The Sika shares were held as an equity investment and Saint-Gobain has chosen to recognize any change in the fair value of the Sika shares directly in equity.

Pierre-André de Chalendar, Chairman and Chief Executive Officer of Saint-Gobain, commented:

*“The Sika shareholding has been an outstanding investment for Saint-Gobain over the past two years. We have completed the sale at a price of CHF2.56 billion, equivalent to around €2.41 billion, compared to a purchase price of €933 million in May 2018. Realizing such an outstanding return on this investment is a very positive development for the Group. The proceeds from the disposal will strengthen Saint-Gobain's balance sheet, increase its financial flexibility and liquidity position in a market environment that remains uncertain. As mentioned at the end of April, depending on how the situation evolves Saint-Gobain will review the Group's shareholder return policy by the end of the year.”*

Citigroup acted as Sole Global Coordinator on the Private Placement.

Citigroup and Lazard acted as financial advisers to Saint-Gobain.

<sup>1</sup> Calculated as the difference between expected cash proceeds from disposals (current and in May 2018), dividends received (€61 million) and purchase consideration paid for stake in May 2018. This excludes taxes, transaction costs and funding costs.

**On 4 June 2020, the Issuer published the following press release:**

**GENERAL SHAREHOLDERS' MEETING, JUNE 4, 2020 OPERATIONAL UPDATE AS OF END-MAY**

The General Shareholders' Meeting of Compagnie de Saint-Gobain was held today, exceptionally in closed session given the current health context. The shareholders represented at the meeting held an aggregate 66.78% of the outstanding shares. **All the resolutions were adopted.**

The Directors' terms of office of Jean-Dominique SENARD, Lead Independent Director, and Iêda GOMES YELL, Independent Director, were renewed by the General Shareholders' Meeting. It also ratified the co-optation of Sibylle DAUNIS as Director representing employee shareholders decided by the Board of Directors held on March 26, 2020, to replace Jacques PESTRE who retired.

In addition, this General Shareholders' Meeting appointed Jean-François CIRELLI as a new Independent Director. Frédéric LEMOINE, whose experience and judgement have contributed significantly to the Board's debates and decisions, did not wish to renew his term of office following Wendel's withdrawal from Saint-Gobain's share capital, and leaves the Board today.

The Board of Directors of Compagnie de Saint-Gobain is composed of 14 members (including two Employee Directors and one Director representing employee shareholders). In accordance with the law and the AFEP-MEDEF Corporate Governance Code, it comprises 45% women and 82% Independent Directors. There are three Board Committees: the Audit and Risk Committee, the Nomination and Remuneration Committee and, as from today, the Corporate Social Responsibility Committee which succeeds the Strategy and Corporate Social Responsibility Committee and will be chaired by Agnès LEMARCHAND.

Given the context of the coronavirus pandemic and the introduction of partial unemployment measures, the Board of Directors decided during its April 23, 2020 meeting not to recommend any dividend distribution to the June 4, 2020 General Shareholders' Meeting. It considered that this exceptional decision was in the best interests of the Group and its stakeholders, given the uncertainty as to the impact and duration of the crisis, and the caution required at this time. As mentioned at the end of April, depending on how the situation evolves, Saint-Gobain will review the Group's shareholder return policy by the end of the year.

A webcast of the General Shareholders' Meeting and the results of the vote on each resolution will be available on the Company's website ([www.saint-gobain.com](http://www.saint-gobain.com)) from tonight.

**Update on operations as of end-May**

Prioritizing the health and safety of all, the Group continues to ramp up its operations and is seeing gradual improvement week after week. Since April, when the overall level of Group activity for the month reached around 60% of 2019 levels, many countries have seen a positive evolution in their health and economic situations. For the month of May, the Group's level of activity surpassed 80% at comparable working days, with large variations by market and country.

– **High Performance Solutions (HPS):** automotive activities gradually picked up again in May with a low level of activity, except in China which has already significantly surpassed last year's levels. Activities serving industrial markets, less impacted than the automotive sector, continue to improve. The Construction Industry business is operating moderately below 2019 levels, while the Life Sciences business continues to show good growth.

– **Northern Europe:** disruptions continue to vary widely from one country to the next across the Region. By the end of May Nordic countries had almost reached 2019 levels. Germany and Eastern Europe are still seeing activity levels below those of last year, mainly due to the gradual restart of glass

production sites which serve both the automotive and construction markets. The UK has seen activity levels progress by around 10% per week since the low point of mid-April when activity was at a virtual standstill, reaching around 70% of 2019 levels in the last week of May.

- **Southern Europe – Middle East & Africa:** since mid-April where the level of activity surpassed 50% of 2019 levels, the Region has shown an improvement each week to surpass 80% for the month of May at comparable working days. In France, activity in Distribution came close to the 2019 level in the last week of May with big differences by region and brand. Spain and Italy are picking up gradually, but remain below the average level of the Region. The Netherlands remain close to a normal level of activity, while the Middle East and Africa remain impacted to varying degrees.

- **Americas:** North America has faced a contrasting situation state by state, but has shown constant improvement since the low point of mid-April. Activity in May moved closer to 2019 levels thanks to significant volumes in exterior solutions and a rebound in gypsum volumes. In Latin America, despite the health situation remaining difficult, activity is picking up week after week, from 40% in mid-April to around 80% in May with a ramp-up in Brazil.

- **Asia-Pacific:** after the gradual restart of all its production sites in China in March, sales have now reached the level recorded for the same period in 2019. India remains severely disrupted with the restart dependent on the relaxing of confinement measures. The situation is varied across South-East Asia with a strong rebound in Vietnam where activity has surpassed 2019 levels, but disruptions still relatively significant in Thailand and neighboring countries.

In this context, the Group confirms its outlook set out at the end of April with the first quarter sales release. Given the impact of the global economic crisis caused by the coronavirus, the Group expects a challenging second quarter 2020 before a recovery in the second half. Actions to preserve cash and to reduce costs and discretionary expenses continue at a good pace and we expect to stop using partial unemployment schemes at the end of June. The sale of our stake in Sika under very good conditions has allowed the balance sheet and liquidity position of Saint-Gobain to be strengthened further.

Due to the scale of the current uncertainties and the very different patterns of recovery from one country to the next, the Group is still not in a position to give an earnings outlook for 2020.

Saint-Gobain's medium and long-term outlook remains robust thanks to its enhanced profile as part of "Transform & Grow" and to its successful strategic choices. The strategy of differentiation and innovation puts Saint-Gobain in the best position to benefit from its three profitable growth drivers: protecting our planet with sustainable solutions, health and comfort for all, productivity.

## TAXATION

### France Taxation

*The descriptions below are intended as a basic summary of certain withholding tax consequences that may be relevant in France to holders of Notes who do not concurrently hold shares of the Issuer. They are of a general nature and are not intended to be exhaustive. They are based upon laws and regulations as interpreted by the French tax authorities as at the date hereof which may be subject to change, possibly with a retroactive effect. Persons who are in any doubt as to their tax position should consult a professional tax adviser.*

*Notes issued by the Issuer other than those which are to be consolidated (assimilables for the purpose of French law) with Notes issued before 1 March 2010.*

Pursuant to Article 125 A III of the French General Tax Code, payments of interest and other revenues paid on such Notes made by the Issuer on such Notes are not subject to withholding tax unless such payments are made outside France in a non-cooperative State or territory within the meaning of Article 238-0 A of the French General Tax Code (a “**Non-Cooperative State**”), in which case a 75% withholding tax is applicable subject to exceptions, certain of which are set forth below, and to the more favourable provisions of any applicable double tax treaty. The 75% withholding tax is applicable irrespective of the tax residence of the Noteholder. The list of Non-Cooperative States is published by a ministerial executive order, which may be updated at any time and at least once a year. A law no 2018-898 published on 24 October 2018 has (i) removed the specific exclusion of the Member States of the European Union, (ii) expanded the list of Non-Cooperative States as defined under Article 238-0 A of the French General Tax Code, to include states and jurisdictions on the blacklist published by the Council of the European Union as amended from time to time and (iii) as a consequence, expanded this withholding tax regime to certain states and jurisdictions included in such blacklist.

Furthermore, according to Article 238 A of the French General Tax Code, interest and other revenues will not be deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State. The abovementioned law published on 24 October 2018 which amended the Non-Cooperative State list, expanded this regime to all the states and jurisdictions included in the blacklist published by the Council of the European Union as amended from time to time. Under certain conditions, any such non-deductible interest or other revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French General Tax Code, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the same Code, at a rate of (i) 28% for fiscal years opened on or after 1 January 2020, 26,5% for fiscal years opened on or after 1 January 2021 and 25% for the fiscal years opened on or after 1 January 2022) for Noteholders who are non-French tax resident legal persons, (ii) 12.8% for Noteholders who are non-French tax resident individuals, in each case (x) unless payments are made in a Non-Cooperative State (which includes states and jurisdictions included in the blacklist published by the Council of the European Union as amended from time to time subject to certain limitations for the application of the withholding tax set forth in Article 119 *bis* 2 of the French General Tax Code) in which case the withholding tax rate would be equal to 75% and (y) subject to certain exceptions and to more favourable provisions of any applicable double tax treaty.

Notwithstanding the foregoing, neither the 75% withholding tax provided by Article 125 A III of the French General Tax Code, nor, to the extent the relevant interest or revenues relate to genuine transactions and is not in an abnormal or exaggerated amount, the non-deductibility of

the interest and other revenues nor the withholding tax set out under Article 119 *bis* 2 of the same Code that may be levied as a result of such non-deductibility, will apply in respect of a particular issue of Notes provided that the Issuer can prove that the main purpose and effect of such issue of Notes is not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the “**Exception**”).

In addition, under French tax administrative guidelines (BOI-INT-DG-20-50-20140211 no 550 and 990 dated 11 February 2014, BOI-RPPM-RCM-30-10-20-40-20191220 no 1 and 10 dated 20 December 2019 and BOI-IR-DOMIC-10-20-20-60-20191220 no 10 dated 20 December 2019) an issue of Notes benefits from the Exception without the Issuer having to provide any evidence supporting the main purpose and effect of such issue of Notes, if such Notes are:

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

*Notes which are consolidated (assimilables for the purpose of French law) with Notes issued before 1 March 2010*

Payments of interest and other revenues with respect to Notes issued on or after 1 March 2010 and which are consolidated (*assimilables* for the purpose of French law) and form a single series with Notes issued (or deemed issued) outside France as provided under Article 131 *quater* of the French General Tax Code, before 1 March 2010, provided that their term has not been prorogated as from that date, will continue to be exempt from the withholding tax set out under Article 125 A III of the French General Tax Code.

Notes issued before 1 March 2010 and whose term has not been prorogated as from that date, whether denominated in Euro or in any other currency, and constituting obligations under French law, or titres de *créances négociables* within the meaning of the French tax administrative guidelines (BOI-RPPM-RCM-30-10-30-30-20191220 dated 20 December 2019), or other debt securities issued under French or foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside the Republic of France for the purpose of Article 131 *quater* of the French General Tax Code, in accordance with the aforementioned administrative guidelines.

In addition, interest and other revenues paid by the Issuer on Notes issued on or after 1 March 2010 and which are to be consolidated (*assimilables* for the purpose of French law) and form a single series with Notes issued before 1 March 2010 will not be subject to the non-deductibility set out under Article 238 A of the French General tax Code or the withholding

tax set out in Article 119 *bis* 2 of the French General Tax Code solely on account of their being paid on a bank account opened in a financial institution located in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

*Withholding tax applicable to French tax resident individuals*

Pursuant to Article 125 A of the French General Tax Code (i.e. where the paying agent (*établissement payeur*) is established in France), subject to certain exceptions, interest and other similar income received by French tax resident individuals is subject to a 12.8% levy withheld at source, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding tax at an aggregate rate of 17.2% on interest paid to French tax resident individuals. Holders of Notes who are French tax resident individuals are urged to consult with their usual tax advisor on the way the 12.8% levy and the 17.2% social contributions are collected, where the paying agent is not established in France.

**European financial transaction tax**

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common financial transaction tax (the “**FTT**”) in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain (the “**Participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced in its current form, impose a tax at generally not less than 0.1%, generally determined by reference to the amount of consideration paid, on certain dealings in Notes in certain circumstances. The issuance and subscription of Notes should, however, be exempt. The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax is adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

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

The FTT proposal remains subject to negotiation between the Participating Member States (excluding Estonia) and the scope of any such tax is uncertain. Based on recent public statements, the Participating Member States (excluding Estonia) have agreed to continue negotiations on the basis of a proposal that would reduce the scope of the FTT and would only concern listed shares of European companies with a market capitalisation exceeding EUR 1 billion on 1 December of the year preceding the taxation year. According to this revised proposal, the applicable tax rate would not be less than 0.2%. Such proposal remains subject to change until a final approval and it may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or certain of the Participating Member States (excluding Estonia which already withdrew) may decide to withdraw. Prospective holders of Notes are advised to seek their own professional advice in relation to the consequences of the FTT that could be associated with subscribing for, purchasing, holding and disposing of the Notes.

## **US Taxation**

US persons considering the purchase of Notes should consult their own tax advisers concerning the application of US federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of Notes arising under the laws of any state, local or other taxing jurisdiction.



## SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealers have, in a programme agreement (the “**Programme Agreement**”) dated 13 October 2006, amended as of 14 December 2007, and amended and restated as of 12 December 2008, as of 20 July 2011, as of 17 July 2013, as of 17 July 2015, as of 27 July 2016, as of 12 July 2017, as of 13 July 2018, as of 11 April 2019 and as of 9 June 2020 agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of Final Terms*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

In order to facilitate the offering of any Tranche of the Notes, certain persons participating in the offering of the Tranche may engage in transactions that stabilise, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche. Specifically such persons may over-allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilise or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to stabilise or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilising or other transactions. Such transactions, if commenced, may be discontinued at any time. Stabilising activities may only be carried on by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules and such activities must end no later than the earlier of 30 days after the Issue Date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes.

### Transfer Restrictions

***As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.***

Each purchaser of Registered Notes offered hereby or person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or *vice versa*, will be required (and in any event will be deemed) to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (i) that either: (a) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A or (b) it is an Institutional Accredited Investor which has delivered an IAI Investment Letter or (c) it is outside the United States and is not a U.S. person;

- (ii) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (iii) that, unless it holds an interest in a Regulation S Global Note and both is a person located outside the United States and is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will not do so within the later of (i) one year after the date of original issuance of the Notes and (ii) three months after it ceases to be an “affiliate” (as defined in Rule 144 under the Securities Act) of the Issuer (or such later date as may be required by applicable laws), unless such resale or transfer is made (a) to the Issuer or any affiliate thereof, (b) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (c) outside the United States in compliance with Rule 903 or Rule 904 as applicable under the Securities Act, (d) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available), or (e) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State securities laws;
- (iv) that it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (iii) above, if then applicable;
- (v) that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes, that Notes offered to Institutional Accredited Investors will be in the form of Definitive IAI Registered Notes and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes;
- (vi) that the Notes, other than the Regulation S Global Notes, will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT (1) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS OR (2) IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) (AN “**INSTITUTIONAL ACCREDITED INVESTOR**”) 11; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT REFERRED TO HEREIN AND WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE DATE OF ORIGINAL ISSUANCE OF THIS SECURITY AND THREE MONTHS AFTER THE HOLDER HEREOF CEASES TO BE AN

“AFFILIATE” (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE ISSUER (OR SUCH LATER DATE AS MAY BE REQUIRED BY APPLICABLE LAWS), UNLESS SUCH OFFER OR TRANSFER IS MADE (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 AS APPLICABLE UNDER THE SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).”;

- (vii) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the later of the commencement of the offering and the completion of the distribution (for the purposes of Regulation S) of all of the Notes of the Tranche of which the Notes form a part), it will do so only (a)(i) outside the United States in compliance with Rule 903 or 904 as applicable under the Securities Act or (ii) to a QIB in compliance with Rule 144A and (b) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED

STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION (FOR THE PURPOSES OF REGULATION S) OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.”;

- (viii) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and
- (ix) that the foregoing restrictions apply to holders of beneficial interests in the Notes as well as to registered holders of the Notes.

Institutional Accredited Investors who purchase Registered Notes in definitive form offered and sold in the United States are required to execute and deliver to the Registrar an IAI Investment Letter. Upon execution and delivery of an IAI Investment Letter by an Institutional Accredited Investor, Notes will be issued in definitive registered form, see “*Terms and Conditions of the Notes*”.

The IAI Investment Letter will state, among other things, the following:

- (i) that the Institutional Accredited Investor has received a copy of the Base Prospectus and such other information as it deems necessary in order to make its investment decision;
- (ii) that the Institutional Accredited Investor understands that any subsequent transfer of the Notes is subject to certain restrictions and conditions set forth in the Base Prospectus and the Notes (including those set out above) and that it agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes except in compliance with, such restrictions and conditions and the Securities Act;
- (iii) that, in the normal course of its business, the Institutional Accredited Investor invests in or purchases securities similar to the Notes;
- (iv) that the Institutional Accredited Investor is an institutional “accredited investor” within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Notes, and it and any accounts for which it is acting are each able to bear the economic risk of its or any such accounts’ investment for an indefinite period of time;
- (v) that the Institutional Accredited Investor is acquiring the Notes purchased by it for its own account or for one or more accounts (each of which is an Institutional Accredited Investor) as to each of which it exercises sole investment discretion and not with a view to any distribution of the Notes, subject, nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control; and

- (vi) that it is acquiring for (unless it is a bank fiduciary acting on behalf of others) its own account, and if it is a non-bank fiduciary acting on behalf of others it is acquiring for each other account for which it is purchasing Notes, Notes having a minimum purchase price of at least U.S.\$500,000 (or the approximate equivalent in another Specified Currency).

No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.\$250,000 (or its foreign currency equivalent) principal amount or, in the case of sales to Institutional Accredited Investors, U.S.\$500,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$250,000 (or its foreign currency equivalent) or, in the case of sales to Institutional Accredited Investors, U.S.\$500,000 (or its foreign currency equivalent) principal amount of Registered Notes.

### **Selling Restrictions**

#### *United States*

The Notes have not been, and will not be, registered under the Securities Act or the state securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, as defined in Regulation S, unless the Notes are registered under the Securities Act or except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws.

The Notes in bearer form (other than Notes with a maturity of 365 days or less including unilateral rollovers and extensions) are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in accordance with the provisions of United States Treasury Regulations Section 1.163-5(c)(2)(i)(D) (the “**D Rules**”), or in accordance with the provisions of United States Treasury Regulations Section 1.163-5(c)(2)(i)(C) (the “**C Rules**”), as specified in the applicable Final Terms. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including the D Rules.

In respect of Notes issued in accordance with the D Rules, each Dealer has represented and agreed that:

(1) except to the extent permitted under the D Rules, it (a) has not offered or sold, and during the restricted period will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (b) has not delivered and will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

(2) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D;

(3) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D)(6); and

(4) with respect to each affiliate that acquires from such Dealer Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (a) repeats and confirms the representations and agreements contained in clauses (1), (2) and (3) on its behalf or (b) agrees that it will obtain from such affiliate for the Issuer's benefit the representations and agreements contained in clauses (1), (2) and (3).

In addition, no Dealer has entered into, nor will enter into any contractual arrangement with any distributor (as that term is defined for purposes of Regulation S and the D Rules) with respect to the distribution of the Notes, except with an affiliate of one of the Dealers or with the prior written consent of the Issuer.

Under the C Rules, Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of Notes in bearer form, the Dealer has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either of the Dealer or the prospective purchaser is within the United States or its possessions or otherwise involve the Dealer's U.S. office in the offer and sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including the C Rules.

In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S ("**Regulation S Notes**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver such Regulation S Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Regulation S Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons, as defined in Regulation S. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Regulation S Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons, as defined in Regulation S.

In addition, until 40 days after the commencement of the offering of any Tranche of Notes, an offer or sale of such Notes of such Tranche within the United States, or to or for the account of a U.S. person, as defined in Regulation S, by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

In connection with any Notes which are offered or sold within the United States pursuant to a private placement, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) offers, sales, resales and other transfers of Notes made in the United States made or approved by a Dealer (including offers, resales or other transfers made or approved by a Dealer in connection with secondary trading) shall be made with respect to Registered Notes only and shall be effected pursuant to an exemption from the registration requirements of the Securities Act;
- (ii) offers, sales, resales and other transfers of Notes made in the United States will be made only in private transactions to (1) a limited number of Institutional Accredited Investors that have executed and delivered to a Dealer an IAI Investment Letter, or (2) institutional investors that are reasonably believed to qualify as QIBs in compliance with Rule 144A;

the Notes will be offered in the United States only by approaching prospective purchasers on an individual basis and not in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act. No general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act will be used in connection with the offering of the Notes in the United States; and

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of Notes outside the United States to non-U.S. persons in reliance on Regulation S and the offer and sale of Notes in the United States to persons reasonably believed to be QIBs in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A or certain Institutional Accredited Investors in reliance upon an exemption from the registration requirements of the Securities Act. The Issuer and the Dealers reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the number of Notes which may be offered pursuant to Rule 144A or to Institutional Accredited Investors. This Base Prospectus does not constitute an offer to any person in the United States or to any U.S. person other than any QIB or Institutional Accredited Investor to whom an offer has been made directly by one of the Dealers or an affiliate of one of the Dealers. Distribution of this Base Prospectus by any non-U.S. person outside the United States or by any QIB or Institutional Accredited Investor in the United States to any U.S. person or to any other person within the United States other than any QIB or Institutional Accredited Investor and those persons, if any, retained to advise such non-U.S. person or QIB or Institutional Accredited Investor with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States other than any QIB or Institutional Accredited Investor and those persons, if any, retained to advise such non-U.S. person or QIB or Institutional Accredited Investors, is prohibited.

Each issue of Inflation Linked Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms. Each relevant Dealer has agreed and each further Dealer appointed under the programme will be required to agree that it will offer, sell or deliver such Notes only in compliance with such additional U.S. selling restrictions.

*Prohibition of Sales to European Economic Area (the “EEA”) and United Kingdom (the “UK”) Retail Investors*

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

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

*United Kingdom*

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

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, including any supplements and amendments thereto (“**FSMA**”) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.



### *Japan*

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

### *General*

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief, on reasonable grounds and after making all reasonable investigations) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes or distribution of the prospectus under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree.

## FORM OF FINAL TERMS

**[MIFID II PRODUCT GOVERNANCE/ PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET]** – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.]

**PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation (as defined below). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

[Date]

**Compagnie de Saint-Gobain**

**Legal entity identifier (LEI): NFONVGN05Z0FMN5PEC35**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the EUR 15,000,000,000  
Medium Term Note Programme**

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [•] 2020 which received visa n°[•] from the *Autorité des marchés financiers* (the “**AMF**”) on [•] 2020 [and supplement(s) to it dated [•] which received visa n°[•] from the AMF on [•]], which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus. The Base Prospectus and any supplement(s) thereto will be published

electronically on the website of the AMF (<http://www.AMF-france.org>). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus.

*The following alternative language applies if the first issue of a Series which is being increased was issued under a base prospectus with an earlier date.*

[Terms used in this document are deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated [original date] [and the supplemental prospectus dated [date]] (the “**Conditions**”) and incorporated by reference into the Base Prospectus dated [•], 2020 [and supplement(s) to it dated [•]]. This document constitutes the Final Terms of the Notes described in it for the purposes of Article 8 of Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”) and must be read in conjunction with the Base Prospectus dated [•], 2020 which received visa n°[•] from the *Autorité des marchés financiers* (the “**AMF**”) on [•], 2020 [and supplement(s) to it dated [•] which received visa n°[•] from the AMF on [•]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the “**Base Prospectus**”), including the Conditions which are extracted from the base prospectus dated [original date] [and the supplement(s) to it dated [•]]. The Base Prospectus and any supplement(s) thereto will be published electronically on the website of the AMF ([www.AMF-france.org](http://www.AMF-france.org)). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus.]

1. (i) Series Number: [•]
- (ii) Tranche Number: [•]
2. Specified Currency: [•]
3. Aggregate Nominal Amount of Notes admitted to trading:
  - (i) Series: [•]
  - (ii) Tranche: [•]
4. Issue Price: [•]%, of the Aggregate Nominal Amount [plus accrued interest from [•]]
5. (i) Specified Denominations: [€100,000] [and higher integral multiples of €1,000 in excess thereof]
- (ii) Calculation Amount: [•]
6. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [•]/[Issue Date]/[Not Applicable]
7. Maturity Date: [•]

8. Interest Basis:  $[[\bullet]\% \text{ Fixed Rate}]/[\textit{particular reference rate}] \pm [\bullet]\% \text{ Floating Rate}]/[\text{Inflation Linked interest}]/[[\bullet] \text{ years } [\textit{insert currency}] \text{ CMS Reference Rate}]/[\text{Inverse Floating Rate}]/[\text{Fixed/Floating Rate}]/[\text{Zero Coupon}]$   
(further particulars specified below)
9. Redemption/Payment Basis:  $[\text{Redemption at par}]/[\bullet]/[\text{Inflation Linked Redemption}]$
10. Change of Interest Basis:  $[\text{Applicable (for Fixed/Floating Rate Notes)}]/[\text{Not Applicable}]$
- (i) First Interest Basis: Determined in accordance with [Condition 6.1, as though the Note was a Fixed Rate Note] / [Condition 6.2, as though the Note was a Floating Rate Note] with further variables set out in item [13/14] below
- (ii) Second Interest Basis: Determined in accordance with [Condition 6.1, as though the Note was a Fixed Rate Note] / [Condition 6.2, as though the Note was a Floating Rate Note] with further variables set out in item [13/14] below
- (iii) Switch Date:  $[\text{Issuer Change of Interest Basis} / \text{Automatic Change of Interest Basis}] \text{ on } [\bullet] [\text{subject to adjustment in accordance with the Business Day Convention}]/[\text{subject to no adjustment}]$
11. Put/Call Options:  $[\text{Investor Put}] / [\text{Make-Whole Redemption by the Issuer}] / [\text{Residual Maturity Call Option}] / [\text{Clean-up Call Option}] / [\text{Call Option}] / [\text{Not Applicable}]$  [(further particulars specified below)]
12. Date(s) of relevant corporate authorisations for issuance of Notes:  $[\bullet]$  (Board Authorisation) and  $[\bullet]$  (Decision to Issue)

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

13. Fixed Rate Note provisions  $[\text{Applicable}]/[\text{Not Applicable}]/[\text{In respect of Fixed/Floating Rate Notes: from (and including) } [\bullet] \text{ to (but excluding) } [\bullet]]$
- (i) Rate(s) of Interest:  $[\bullet]\%$ , per annum payable in arrear on each Interest Payment Date

- (ii) Interest Payment Date(s): [●] in each year
- (iii) Fixed Coupon Amount(s): [●] per Calculation Amount
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
- (v) Day Count Fraction: [30/360]/[Actual/Actual (ICMA)]
- (vi) Determination Date(s): [●] in each year
- (vii) Range Accrual: [Applicable (further particulars specified below)]/[Not Applicable]
14. Floating Rate Note provisions [Applicable]/[Not Applicable]/[In respect of Fixed/Floating Rate Notes: from (and including) [●] to (but excluding) [●]]
- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [[●] in each year, subject to adjustment in accordance with the Business Day Convention set out in (iv) below]
- (iii) First Interest Payment Date: [●]
- (iv) Business Day Convention: [Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]/[Not Applicable]
- (v) Business Centre(s): [●]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination]/[ISDA Determination]/[CMS Rate]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount (if not the Agent): [●]
- (viii) Screen Rate Determination: [Applicable]/[Not Applicable]
- Reference Rate: [LIBOR]/[EURIBOR]/[●]
  - Designated Maturity: [●]
  - Relevant Screen Page: [●]

	• Relevant Time:	[11.00 a.m. London time]/[11.00 a.m. Brussels time]/[●]
(ix)	ISDA Determination:	[Applicable]/[Not Applicable]
	• Floating Rate Option:	[●]
	• Designated Maturity:	[●]
	• Reset Date:	[●]
(x)	CMS Rate	[Applicable]/[Not Applicable]
	• Multiplier:	[●]
	• First Relevant Screen Page:	[●]
	• First Relevant Time:	[●]
	• First Reference Currency:	[●]
	• First Designated Maturity:	[●]
	• Second Relevant Screen Page:	[●]
	• Second Relevant Time:	[●]
	• Second Reference Currency:	[●]
	• Second Designated Maturity:	[●]
(xi)	Linear Interpolation:	[Not Applicable]/[Applicable: the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation between [●] and [●] [●]]
(xii)	Margin(s) <sup>2</sup> :	[+/-] [●]% per annum
(xiii)	Minimum Rate of Interest <sup>3</sup> :	[●]
(xiv)	Maximum Rate of Interest:	[●]

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<sup>2</sup> In no event shall the Rate of Interest (including for the avoidance of doubt, as adjusted for any applicable margin) be less than zero.

<sup>3</sup> In no event shall the Rate of Interest (including for the avoidance of doubt, as adjusted for any applicable margin) be less than zero.

- (xv) Day Count Fraction: [Actual/Actual]/[Actual/Actual (ISDA)]/[Actual/365(Fixed)]/[Actual/365 (Sterling)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]
- (xvi) Interest Determination Date(s): [●]
- (xvii) Range Accrual: [Applicable (further particulars specified below)]/[Not Applicable]
- 15. Range Accrual Notes** [Applicable]/[Not Applicable]
- (i) Accrual Condition Type: [Single Rate Range Accrual]/[Spread Range Accrual]
- (ii) Range Accrual Floating Rate 1
- (A) Screen Rate Determination: [Applicable]/[Not Applicable]
- Reference Rate: [●]
  - Designated Maturity: [●]
  - Relevant Screen Page: [●]
  - Relevant Time: [●]
- (B) ISDA Determination: [Applicable]/[Not Applicable]
- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
- (iii) Range Accrual Floating Rate 2 [Applicable]/[Not Applicable]  
(*only applicable to Spread Range Accrual*)
- (A) Screen Rate Determination: [Applicable]/[Not Applicable]
- Reference Rate: [●]
  - Designated Maturity: [●]
  - Relevant Screen Page: [●]
  - Relevant Time: [●]
- (B) ISDA Determination: [Applicable]/[Not Applicable]

- Floating Rate Option: [●]
- Designated Maturity: [●]
- Reset Date: [●]
- (iv) Lower Barrier: [●]/[Not Applicable]
- (v) Upper Barrier: [●]/[Not Applicable]
- (vi) Observation Period: [As specified in the Condition 6.2(d)]/[●]
- 16. Inflation Linked Notes provisions** [Applicable]/[Not Applicable]
- (i) Index [RPI]/[HICP]/[French CPI]/[Italian CPI]/[U.S. CPI]
- (ii) Interest Period(s) [●]
- (iii) Specified Interest Payment Dates: [[●] in each year, subject to adjustment in accordance with the Business Day Convention set out in (iv) below]
- (iv) Business Day Convention: [Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]/[Not Applicable]
- (v) Business Centre(s): [●]
- (vi) Interest Determination Date: [●]
- (vii) Rate of Interest: [Condition 7.1(b)]/[Condition 7.1(c)] applies
- (viii) Margin<sup>4</sup>: [●]% per annum, subject to adjustment in accordance with Condition 7, payable in arrear on each Interest Payment Date
- (ix) Inflation Factor: [Option A]/[Option B]/[Option C] applies
- (x) Initial Valuation date: [●]

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<sup>4</sup> In no event shall the Rate of Interest (including for the avoidance of doubt, as adjusted for any applicable margin) be less than zero.



- |         |  |   |
|---------|--|---|
| (xi)    | Reference Month:                           | (i) Initial Valuation Date: the calendar month falling [●] month[s] prior to the Initial Valuation Date<br><br>(ii) relevant Interest Payment Date: the calendar month falling [●] month[s] prior to the relevant Interest Payment Date |
| (xii)   | Index Sponsor:                             | [●]   |
| (xiii)  | Delay in publication and rebasing:         | [General Conditions -7.4(a)(i) -and 7.4(c)(iv)(A) apply]<br>/<br>[Conditions 7.4(a)(ii) and 7.4(c)(iv)(B) specific to the French CPI apply]   |
| (xiv)   | Related Bond:                              | [●]/[Not applicable]  |
| (xv)    | Fallback Bond:                             | [●]/[Not applicable]  |
| (xvi)   | Day Count Fraction:                        | [Actual/Actual]/[Actual/Actual (ISDA)]/[Actual/365(Fixed)]/[Actual/365 (Sterling)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]  |
| (xvii)  | Minimum Rate of Interest <sup>5</sup> :    | [[●]]/[Not Applicable]  |
| (xviii) | Maximum Rate of Interest:                  | [[●]]/[Not Applicable]  |
| (xix)   | Name and address of the Calculation Agent: | [●]   |
| 17.     | Zero Coupon Note provisions                | [Applicable]/[Not Applicable]   |
| (i)     | Amortisation/Accrual Yield:                | [●]% per annum  |
| (ii)    | Reference Price:                           | [●]   |

## PROVISIONS RELATING TO REDEMPTION

- |       |  |  |
|-------|--|--|
| 18.   | Call Option:                             | [Applicable]/[Not Applicable]              |
| (i)   | Optional Redemption Date(s):             | [●]  |
| (ii)  | Optional Redemption Amount of each Note: | [●] per Note of [●] Specified Denomination |
| (iii) | If redeemable in part:                   |  |

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<sup>5</sup> In no event shall the Rate of Interest (including for the avoidance of doubt, as adjusted for any applicable margin) be less than zero.

A. Minimum Redemption Amount	[●] per Note
B. Maximum Redemption Amount	[●] per Note
<b>19.</b> Make-Whole Redemption by the Issuer:	[Applicable]/[Not Applicable]
(A): Parties to be notified by Issuer of Optional Redemption Date and Make-whole Redemption Amount (if other than as set out in Condition 9.3):	[[●] / Not applicable]
(B): Make-whole Redemption Margin:	[●]
(C) Discounting basis for purposes of calculating sum of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed in the determination of the Make-whole Redemption Amount	[●]
(D) Reference Security:	[●]%
(E) Reference Dealers:	[●]
(F) Quotation Agent:	[●]
<b>20.</b> Residual Maturity Call Option	[Applicable]/[Not Applicable]
(i) Initial Residual Maturity Call Option Date:	[●]
<b>21.</b> Clean-up Call Option:	[Applicable]/[Not Applicable]
(i) Clean-up Call Percentage:	[[80] % / [●] %]
(ii) Early Redemption Amount:	[as per Condition 9.5]
<b>22.</b> Put Option:	[Applicable]/[Not Applicable]
(i) Optional Redemption Date(s):	[●]
(ii) Optional Redemption Amount:	[At par]/[[●] per Calculation Amount]
<b>23.</b> Change of Control Put Option:	[Applicable]/[Not Applicable]
<b>24.</b> Final Redemption Amount	

- |      |   |  |
|------|---|--|
| (i)  | Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes:  | [At par]/[[●] per Calculation Amount]/[Not Applicable]   |
| (ii) | Inflation Linked Redemption:  | [Applicable]/[Not Applicable]  |
|      | (A) Index:  | [●]  |
|      | (B) Party responsible for calculating the Final Redemption Amount (if not the Agent):   | [●]  |
|      | (C) Initial Valuation date:   | [●]  |
|      | (D) Reference Month:  | <p>(i) Initial Valuation Date: the calendar month falling [●] month[s] prior to the Initial Valuation Date.</p> <p>(ii) Scheduled Redemption Date: the calendar month falling [●] month[s] prior to the Maturity Date.</p> |
|      | (E) Related Bond:   | [●]/[As specified in the conditions]   |
|      | (F) Final Redemption Floor:   | [Applicable]/[Not Applicable]  |
| 25.  | Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default or other early redemption: | [At par]/[[●] per Calculation Amount]  |

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

- |     |                |  |
|-----|----------------|--|
| 26. | Form of Notes: | <p>[Bearer Notes:]</p> <p>[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes only upon an Exchange Event]</p> <p>[Temporary Bearer Global Note exchangeable for Definitive Notes on [●] days' notice]</p> <p>[Permanent Bearer Global Note exchangeable for Definitive Notes only upon an Exchange Event]</p> <p>[Registered Notes:]</p> <p>[Regulation S Global Note (U.S.\$[●] nominal amount) registered in the name of a nominee for</p> |
|-----|----------------|--|

[DTC/a common depositary for Euroclear and Clearstream Banking S.A., Luxembourg /a common safekeeper for Euroclear and Clearstream Banking S.A., Luxembourg (that is, held under the New Safekeeping Structure (“NSS”))]]

[Rule 144A Global Note U.S.\$[●] nominal amount registered in the name of a nominee for [DTC/ a common depositary for Euroclear and Clearstream Banking S.A., Luxembourg]/[Definitive IAI Registered Notes/a common safekeeper for Euroclear and Clearstream Banking S.A., Luxembourg (that is, held under the New Safekeeping Structure (“NSS”))]]

- |     |   |  |
|-----|---|--|
| 27. | New Global Note (“NGN”)   | [Yes]/[No]   |
| 28. | Financial Centre(s):  | [Not Applicable]/[●]                                   |
| 29. | Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes]/[No]   |
| 30. | Redenomination:   | [Not Applicable]/[The provisions in Condition 5 apply] |

### Third Party Information

[[●] has been extracted from [●].] The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: \_\_\_\_\_

Duly authorised

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Paris with effect from [●]./[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Paris with effect from [●]./[The Notes under Tranche(s) [●] are already listed and admitted to trading on Euronext Paris. Application [has been made]/[is expected to be made] by the Issuer (or on its behalf) for the Notes under this Tranche [●] to be admitted to trading on Euronext Paris [on the Issue Date]/[with effect from [●]].
- (ii) Estimate of total expenses related to admission to trading: [●]

### **2. RATINGS**

Ratings: The Notes to be issued [have been/are expected to be] rated:

[S&P: [●]]

[Moody's: [●]]

The Credit ratings referred to above have been issued by [S&P] and [Moody's], each of which is established in the European Union or in the United Kingdom and is registered under Regulation (EC) No. 1060/2009 of the CRA Regulation and, as of the date hereof, appears on the list of credit rating agencies published on the website of the European Securities and Markets Authority ([www.esma.europa.eu](http://www.esma.europa.eu)) in accordance with the CRA Regulation.

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[●]/[Save as discussed in [*“Subscription and Sale and Transfer and Selling Restrictions”*], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

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

Indication of yield:

[●]/[Not Applicable]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

**5. PERFORMANCE OF INFLATION INDEX AND OTHER INFORMATION CONCERNING THE INFLATION INDEX (Inflation Linked Notes only)**

- (i) Underlying Index: [RPI]/[HICP]/[French CPI]/[Italian CPI]/[U.S. CPI]
- (ii) Information about the Index, its volatility and past and future performance can be obtained from: [●]

[The Issuer does not intend to provide post-issuance information.]

**6. BENCHMARKS (Floating Rate Notes only)**

Benchmarks:

Amounts payable under the Notes will be calculated by reference to [●] which is provided by [●]. As at the date of these Final Terms, [●] [appears]/[does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) [(the “**Benchmark Regulation**”)]. [As far as the Issuer is aware, the transitional provisions set forth in Article 51 of the Benchmark regulation apply such that [●] is not currently required to obtain authorisation or registration.]/[Not applicable]

**7. USE AND ESTIMATED NET AMOUNT OF THE PROCEEDS**

- (i) Estimated net amount of proceeds: [●]
- (ii) Use of proceeds: [General corporate purposes]/[●]

**8. OPERATIONAL INFORMATION**

ISIN Code:	<p>[●]/</p> <p>[Until the Notes have been consolidated and form a single series with Tranche(s) [●], which is expected to be on or about [●], they will be assigned a Temporary ISIN Code as follows:</p> <p>[●]</p> <p>Thereafter, they will assume the same ISIN Code Tranche(s) [●] as follows:</p> <p>[●]]</p>
Common Code:	<p>[●]/</p> <p>[Until the Notes have been consolidated and form a single series with Tranche(s) [●], which is expected to be on or about [●], they will be assigned a Temporary Common Code as follows:</p> <p>[●]</p> <p>Thereafter, they will assume the same Common Code as Tranche(s) [●] as follows:</p> <p>[●]]</p>
Book-entry clearing systems	[Euroclear Bank SA/NV]/[Clearstream Banking, S.A.]/[Depository Trust Company]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s) (if any):	[●]/[Not Applicable]
Intended to be held in a manner which would allow Eurosystem eligibility:	<p>[Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories (“<b>ICSDs</b>”) as common safekeeper, [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is held under the New Safekeeping Structure for registered global securities,] <i>[include this text for Registered Notes which are to be held under the NSS]</i> and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met.] /</p> <p>[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the</p>

Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is held under the New Safekeeping Structure for registered global securities]. Note that this does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met.]

## **9. DISTRIBUTION**

U.S. Selling Restrictions:	[TEFRA D]/[TEFRA C]/[TEFRA not Applicable]
Stabilisation Manager(s) (if any):	[Not Applicable]/[ <i>give name</i> ]



## BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream Banking S.A., Luxembourg (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

### Book-entry Systems

#### DTC

DTC has advised the Issuer that it is a limited purpose trust company organised under the New York Banking Law, a banking organisation within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants (“**Participants**”) deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation (“**DTCC**”). DTCC, in turn is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation) NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “**Rules**”), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (“**DTC Notes**”) as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (“**Owners**”) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co or such other nominee as may be requested by an authorised representative. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to Cede & Co., or such other nominee as may be requested by an authorised representative of DTC and credited to Direct Participants' accounts in accordance with DTC's customary practice. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants,

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will include the legend as set forth under "*Subscription and Sale and Transfer and Selling Restrictions*".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

DTC's address is Depository Trust Company, 55 Water Street, 15L, New York, NY 10041-0099, United States of America.

*Euroclear and Clearstream Banking S.A., Luxembourg*

Euroclear and Clearstream Banking S.A., Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream Banking S.A., Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream Banking S.A., Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream Banking S.A., Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream Banking S.A., Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream Banking S.A., Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Euroclear's address is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium, and Clearstream, Luxembourg's address is Clearstream Banking, S.A., 42, avenue John F. Kennedy, L-1855 Luxembourg.

**Book-entry Ownership of and Payments in respect of DTC Notes**

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositories of Euroclear and Clearstream Banking S.A., Luxembourg. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Rate Agent on behalf of DTC or its nominee and the Exchange Rate Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Issuer expects DTC immediately to credit accounts of Direct Participants in accordance with and subject to DTC's customary practice. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Issuing and Principal Paying Agent, the Registrar or the Issuer. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer.

### **Transfers of Notes Represented by Registered Global Notes**

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream Banking S.A., Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "*Subscription and Sale and Transfer and Selling Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream Banking S.A., Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Agent and any custodian ("**Custodian**") with whom the relevant Registered Global Notes have been deposited.

On the Issue Date for any Series, transfers of Notes of such Series to accountholders in Clearstream Banking S.A., Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). Following the implementation of the T+2 settlement cycle by Clearstream Banking S.A., Luxembourg and Euroclear in accordance with Regulation (EU) No 909/2014, transfers of Notes of such Series after the Issue Date between accountholders in Clearstream Banking S.A., Luxembourg and Euroclear will have a settlement date two business days after the trade date (T+2). The customary arrangements for delivery versus payment will apply to all such transfers.

Cross-market transfers between accountholders in Clearstream Banking S.A., Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream Banking S.A., Luxembourg and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream

Banking S.A., Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream Banking S.A., Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream Banking S.A., Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream Banking S.A., Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

## GENERAL INFORMATION

### Authorisation

The Programme and the issue of Notes have been duly authorised by resolutions of the Board of Directors of the Issuer dated 20 February 2013 (which included authorisation of the increase of the Programme to EUR15,000,000,000) and 27 February 2020, respectively. Each issue of Notes which constitute *obligations* under French law must be authorised by the Board of Directors. Each issue of Notes which do not constitute *obligations* under French law must be authorised by the decision of a *Directeur Général* of the Issuer.

### Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in London:

- the *Statuts* (with a direct and accurate English translation thereof) of the Issuer;
- the audited consolidated financial statements of the Issuer in respect of the years ended 31 December 2018 and 31 December 2019 together with the audit reports prepared in connection therewith. The Issuer currently prepares audited consolidated and non-consolidated accounts on an annual basis;
- the Agency Agreement;
- a copy of this Base Prospectus including any documents incorporated by reference herein; and
- any future prospectuses, information memoranda and supplements including Final Terms to this Base Prospectus and any other documents incorporated herein or therein by reference.

In addition, copies of this Base Prospectus, each Final Terms relating to listed Notes, the Registration Document 2018 and the Universal Registration Document 2019 incorporated by reference herein are available on the website of AMF ([www.amf-france.org](http://www.amf-france.org)).

### Clearing Systems

The Notes in bearer form have been accepted for clearance through Euroclear and Clearstream Banking S.A., Luxembourg. The appropriate Common Code and ISIN for each Tranche of Bearer Notes allocated by Euroclear and Clearstream Banking S.A., Luxembourg will be specified in the applicable Final Terms. In addition, the Issuer may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of Registered Notes, together with the relevant ISIN and common code, will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream Banking S.A., Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

### **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Amounts payable under the Floating Rate Notes and/or Fixed to Floating Rate Notes may be calculated by reference to, *inter alia*, EURIBOR, which is provided by the European Money Markets Institute (“**EMMI**”) and CMS and LIBOR which are provided by the ICE Benchmark Administration Limited (“**ICE**”). Each of the EMMI and ICE have been authorized as regulated benchmark administrators pursuant to Article 34 of the Regulation (EU) 2016/1011 (the “**Benchmark Regulation**”) and appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmark Regulation. The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Base Prospectus or the Final terms to reflect any change in the registration status of the administrator.

### **Significant or Material Change**

Except as disclosed in the Base Prospectus (including the documents incorporated by reference), there has been no significant change in the financial position or financial performance of the Group since 31 March 2020, being the date of its last published consolidated annual financial statements.

Except as disclosed in the Base Prospectus (including the documents incorporated by reference), there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2019, being the date of its last published consolidated annual financial statements.

### **Litigation**

Except as disclosed in this Base Prospectus (including the information incorporated by reference) there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware) during the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or the Group’s financial position or profitability.

### **Third-party Information**

Third-party information referred to in the sections entitled “*Information about the Issuer*” and “*Terms and Conditions of the Notes*” has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of such third party information is identified where used.

### **Auditors**

PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex, France and KPMG Audit — Department of KPMG S.A. of Tour Egho, 2, avenue Gambetta, CS 60055, 92066 Paris La Défense, France, both of whom are members of the *Compagnie Regionale des Commissaires aux Comptes de Versailles*, have audited, and rendered unqualified audit reports on the financial statements of the Issuer for the years ended 31 December 2018 and 31 December 2019.

### **Post-issuance information**

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

#### **Dealers transacting with the Issuer / Conflicts of Interest**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/ or commercial banking transactions with, and may perform services to the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Potential conflicts of interest may exist between the Calculation Agent and Noteholders (including a Dealer acting as a Calculation Agent), including with respect to certain determinations and judgements that such Calculation Agent may make pursuant to the Terms and Conditions of the Notes that may influence the amounts receivable by the Noteholders during the term of the Notes and upon their redemption.

#### **Legal Entity Identifier**

The Issuer's legal entity identifier (LEI) is NFONVGN05Z0FMN5PEC35.



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

*In the name of the Issuer*

The Issuer declares, having taken all reasonable care to ensure that such is the case and to the best of its knowledge, that the information contained in this Base Prospectus is in accordance with the facts and makes no omission likely to affect its import.

**Compagnie de Saint-Gobain**

Tour Saint-Gobain  
12 Place de l'Iris  
92400 Courbevoie  
France

Duly represented by:

Mr. Sreedhar N.

Chief Financial Officer (*Directeur Financier*) of the Issuer

Duly authorised  
on 9 June 2020



*Autorité des marchés financiers*

This Base Prospectus has been approved on 9 June 2020 under the approval number n° 20-245 by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129.

The AMF has approved this Base Prospectus after having verified that the information it contains is complete, coherent and comprehensible.

This approval is not a favourable opinion on the Issuer and on the quality of the Notes described in this Base Prospectus. Investors should make their own assessment of the opportunity to invest in such Notes.

It is valid until 9 June 2021 and shall be completed by a supplement to the Base Prospectus in the event of new material facts or substantial errors or inaccuracies.

#### ISSUER

**Compagnie de Saint-Gobain**

Tour Saint-Gobain  
12 Place de l'Iris  
92400 Courbevoie  
France

#### ISSUING AND PRINCIPAL PAYING AGENT

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

#### REGISTRAR AND TRANSFER AGENT

**Deutsche Bank Luxembourg S.A.**

2, boulevard Konrad Adenauer  
L- 1115 Luxembourg

#### PAYING AND EXCHANGE RATE AGENT

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

#### DEALERS

**Banco Bilbao Vizcaya Argentaria, S.A.**

Ciudad BBVA  
Calle Saucedo 28, Edificio Asia  
Madrid 28050  
Spain

**Banco Santander, S.A.**

Ciudad Grupo Santander  
Avenida de Cantabria s/n  
28660, Boadilla del Monte  
Madrid  
Spain

**BNP Paribas**

16, boulevard des Italiens  
75009 Paris  
France

**Citigroup Global Markets Europe AG**

Reuterweg 16  
60323 Frankfurt am Main  
Germany

**Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**Crédit Agricole Corporate and Investment Bank**

12 place des Etats-Unis, CS 70052  
92547 Montrouge CEDEX  
France

**Goldman Sachs Bank Europe SE**

Marienturm  
Taunusanlage 9-10  
D-60329 Frankfurt am Main  
Germany

**ING Bank N.V. Belgian Branch**

Avenue Marnix, 24 – 1000 Brussels  
Belgium

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

**MUFG Securities (Europe) N.V.**

Zuidplein 98. World Trade Center Tower H  
Level 11. 1077 XV Amsterdam  
The Netherlands

**NatWest Markets N.V.**

Claude Debussylaan 94  
Amsterdam 1082 MD  
The Netherlands

**Société Générale**

29 Boulevard Haussmann  
75009 Paris  
France

#### LEGAL ADVISERS

*To the Issuer as to French law*

**Legal Department**  
**Compagnie de Saint-Gobain**  
Tour Saint-Gobain  
12 Place de l'Iris  
92400 Courbevoie  
France

*To the Dealers as to English, U.S. and French law*

**Cleary Gottlieb Steen & Hamilton LLP**  
2 London Wall Place  
London EC2Y 5AU  
United Kingdom

**ISSUER'S AUDITORS**

**PricewaterhouseCoopers Audit**  
63, rue de Villiers  
92208 Neuilly-Sur-Seine Cedex  
France

**KPMG Audit, department of KPMG SA**  
Tour Egho  
2, avenue Gambetta  
CS 60055  
92066, Paris La Défense  
France