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Information Memorandum dated 9 June 2020, as updated on 8 February 2021

Unédic

€60,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME TO THE SERVICE OF EMPLOYMENT WITH OR WITHOUT THE GUARANTEE OF THE FRENCH STATE

Under the Euro Medium Term Note Programme (the "**Programme**") described in this information memorandum (the "**Information Memorandum**"), Unédic (the "**Issuer**" or "Unédic"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the "**Notes**"). The Final Terms (as defined in "Terms and Conditions of the Notes", a form of which is included in this Information Memorandum) prepared in respect of any issue of Notes will specify whether or not the Notes will benefit from the guarantee of the French State (the "**Guaranteed Notes**"). The aggregate nominal amount of Notes outstanding shall not at any one time exceed €60,000,000,000 (or its equivalent in other currencies) at any date of issue.

Under certain circumstances, a request for admission of the Notes to trading on Euronext Paris ("**Euronext Paris**") may be presented. Euronext Paris is a regulated market within the meaning of the Directive 2014/65 (as amended) ("**MiFID II**") dated 21 April 2004 (a "**Regulated Market**"). Notes may also be admitted to trading on any other Regulated Market in a Member State of the European Economic Area ("**EEA**"), on any non-regulated market, or may be unlisted. The Final Terms prepared in respect of any issue of Notes will specify whether or not such Notes will be admitted to trading and, if so, on which relevant Regulated Market(s). Notes admitted to trading on a Regulated Market shall have a minimum denomination of at least €100,000 (or its equivalent in other currencies) or such higher amount as may be allowed or required by any relevant monetary authority or any applicable laws or regulations.

This Information Memorandum does not constitute a base prospectus within the meaning of Regulation 2017/1129 of the European Parliament and the Council dated 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "Prospectus Regulation"), the provisions of which do not apply to the Issuer, and therefore has not been submitted to the clearance procedures of the *Autorité des marchés financiers* (the "AMF"). The Issuer undertakes to update the Information Memorandum on an annual basis.

The Notes will be issued in dematerialised form and may, at the option of the Issuer, be issued in either bearer form (*au porteur*) or in registered form (*au nominatif*) as more fully described in this Information Memorandum. Notes will be in book entry form in compliance with Articles L.211-3 *et seq.* of the French *Code monétaire et financier*. No physical documents evidencing title to the Notes will be issued in respect of the Notes. Notes issued in bearer form (*au porteur*) shall be inscribed as from their issue date in the books of Euroclear France (acting as central depository) which shall credit the accounts of the Account Holders (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title, Redenomination and Consolidation") including Euroclear Bank S.A./N.V., ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). Notes issued in registered form (*au nominatif*) may, at the option of the relevant Noteholder (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title, Redenomination and Consolidation"), either be (a) in fully registered form (*au nominatif pur*), in which case they will be inscribed in an account maintained by the Issuer or a registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer or (b) in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Account Holder designated by the relevant Noteholder.

The Issuer is rated Aa2 (stable outlook) by Moody's Investors Service Limited and AA (negative outlook) by Fitch France S.A.S. As at the date of this Information Memorandum, each of these rating agencies is established in the European Union and is registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009, as amended (the "**CRA Regulation**") or established in the United Kingdom in accordance with the CRA Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").

Notes issued under the Programme may, or may not, be rated. The rating of Notes (if any) will be specified in the relevant Final Terms. The rating of Notes will not necessarily be the same as the rating assigned to the Issuer, it being understood that a rating does not constitute a recommendation to buy, sell or hold Notes and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency.

This Information Memorandum, any update of this Information Memorandum and the documents incorporated by reference in this Information Memorandum will be available on the Issuer's website (www.unedic.org).

Prospective investors are invited to take into account the risks described in the "Risk Factors" section before deciding to invest in the Notes issued under the Programme.

Each Tranche (as defined in "General Description of the Programme") of Notes will be issued pursuant to the relevant provisions described in the "Terms and Conditions of the Notes" chapter of this Information Memorandum, as supplemented by the provisions of the relevant Final Terms determined by the Issuer and the relevant Dealers (as defined in "General Description of the Programme") at the time of the issue of such Tranche.

The Issuer represents that, after having taken all reasonable measures to this effect, all information contained or incorporated by reference in this Information Memorandum is, to its knowledge, in accordance with the facts and does not contain any omission likely to affect its import. It contains all relevant information necessary for prospective investors to knowingly assess the assets, activities, financial position, results and prospects of the Issuer, as well as the rights attached to the securities. The Issuer assumes the responsibility thereto.

None of the Dealers has verified the information contained or incorporated by reference in this Information Memorandum. None of the Dealers makes any representation, whether express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Information Memorandum. Neither this Information Memorandum nor any other information supplied in connection with the Programme is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Dealers that any recipient of this Information Memorandum or any other financial statements should purchase the Notes. Each prospective investor of Notes shall determine the relevance of the information contained or incorporated by reference in this Information Memorandum on its own and its purchase of Notes should be based upon such investigation as it deems necessary. Neither any of the Dealers undertake to review the financial or general condition of the Issuer during the life of the arrangements contemplated by this Information Memorandum nor to advise any investor or prospective investor of any information that may come to their attention.

This Information Memorandum may only be used for the purposes for which it has been published.

No person is or has been authorised to give any information or to make any representation other than those contained or incorporated by reference in this Information Memorandum in connection with the issue or sale of Notes. If given or made, such information or representation shall not be relied upon as having been authorised by the Issuer or any of the Dealers. Neither the delivery of this Information Memorandum nor any sale made in connection herewith shall, under any circumstances, imply that there has been no change in the Issuer's affairs since the date hereof or the date of the most recent update to this Information Memorandum, or that there has been no adverse change in the Issuer's financial position since the date hereof or the date of the most recent update to this Information Memorandum, or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing such information.

The Notes and any related guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States. Subject to certain exceptions, the Notes may not be offered or sold within the United States. The Notes are being offered and sold outside the United States of America to non-U.S. persons in reliance on Regulation S under the Securities Act ("Regulation S").

This Information Memorandum does not constitute an offer of, nor an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

The distribution of this Information Memorandum and the offering or sale of Notes may, in certain jurisdictions, be restricted by law. Neither the Issuer nor the Dealers represent that this Information Memorandum will be distributed in compliance with the law, or that the Notes will be offered in compliance with the law, any relevant registration or any requirement of any competent authority or by virtue of any exemption that would be applicable, and shall not be liable for facilitating such distribution or such offer. In particular, neither the Issuer nor the Dealers have taken any action for the Notes to be offered to the public or the distribution of this Information Memorandum on the territory of a competent authority that would require such an action to be taken. As a result, Notes shall not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any offering document shall be distributed or published on the territory of a competent authority, other than compliance with any relevant laws or regulation of such

territory. Persons into whose possession this Information Memorandum comes or that would be interested in subscribing to the Notes are required to inform themselves about and to observe the restriction relating to the distribution of this Information Memorandum and the offer and sale of Notes which are applicable to them. Restrictions on the distribution of this Information Memorandum and the offer and sale of Notes notably exist in the United States of America, the EEA (notably in France) and the United Kingdom.

For a description of the applicable restrictions on offers, sales and transfers of Notes and on distribution of this Information Memorandum, see "Subscription and Sale".

Neither the Notes, the Final Terms or this Information Memorandum have been submitted to the clearance procedures of the French *Autorité de marchés financiers* (the "AMF") or of any other competent authority within the meaning of the Prospectus Regulation.

The Issuer alone is responsible for the information contained in this Information Memorandum. The Issuer represents, after having taken all reasonable measures for such purpose, that, to its knowledge, the information contained or incorporated by reference in this Information Memorandum is accurate and does not contain any omission that is liable to make such information misleading.

Neither the Dealers nor the Issuer make any representation to a prospective investor of Notes on the legality of its investment pursuant to the laws applicable to such prospective investor. Any prospective investor in the Notes must be capable of bearing the economic risk of its investment in the Notes for an undetermined period of time.

In connection with the issue of any Tranche (as defined in "General Description of the Programme"), the Dealer, if any, named as the stabilising manager in the relevant Final Terms (the "Stabilising Manager") (or persons acting on behalf of any Stabilising 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 Stabilising Manager (or persons acting on behalf of a Stabilising Manager(s)) will undertake such stabilisation actions. Such stabilisation actions may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of thirty (30) days after the issue date of the relevant Tranche and sixty (60) days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

In this Information Memorandum, unless otherwise specified or the context otherwise requires, references to "€", "Euro", "EUR" and "euro" are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended, references to "£", "pounds sterling" and "Sterling" are to the lawful currency of the United Kingdom, references to "\$", "USD", "U.S. dollars" and "US Dollar" are to the lawful currency of the United States of America, references to "¥", "JPY" and "Yen" are to the lawful currency of Japan and references to "CHF" and "Swiss Francs" are to the lawful currency of Switzerland.

NOTICE

The Notes may not be a suitable investment for all investors

Each prospective investor must determine, based on its personal assessment and with the help of any adviser it may find to be appropriate depending on the circumstances, the suitability of an investment in the Notes in light of its own circumstances. In particular, each prospective investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the relevant Notes and the information contained in this Information Memorandum, in any update to this Information Memorandum or in the relevant Final Terms;
- (ii) have access to and know how to use appropriate analytical tools to evaluate, in the context of its own financial position and of its sensitivity to the risk, an investment in the relevant Notes and the impact the relevant Notes may have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the prospective investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the operation of any relevant indices and financial markets; and
- (v) be able to assess (either alone or with the help of a financial adviser) possible scenarios for the economy, interest rates or any other factor that may affect its investment and its ability to face the risks incurred.

A prospective investor should not invest in Notes unless it has the expertise (either alone or with the help of its advisers) to assess how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on its overall investment portfolio.

Each prospective investor should consult its own legal, tax, accounting and/or financial advisers before investing in the Notes.

Legal restrictions may limit certain investments

Certain prospective investors are subject to laws and regulations relating to investments, or to examinations or regulation by certain regulatory or supervisory authorities. Such prospective investors must consult their legal advisers to determine if and the extent to which (1) the law authorises them to invest in the Notes, (2) the Notes may be used as a security for other types of borrowings, and (3) if other restrictions relating to the Notes are applicable. Financial institutions must consult their legal advisers or the relevant regulatory authorities to determine the treatment applicable to the Notes with respect to balanced equity ratios depending on risks and other similar rules.

The decision to invest in the Notes should depend on the investor's sole judgment

A prospective investor cannot rely on the Issuer, the Dealers or their respective affiliates (nor on their employees, directors, officers or external advisers) for determining the legality of its investment in the Notes, nor for appreciating the risk factors mentioned in this section. The Issuer, the Dealers and their respective affiliates (as well as their employees, directors, officers and external advisers) are not responsible for a prospective investor's compliance with the legislation and regulations applicable to it when investing in the Notes, whether such laws are those of the jurisdiction in which it is registered or, if different, those of the jurisdiction in which it operates its business, nor are they responsible for such prospective investor's compliance with the laws, regulations or recommendations to which the prospective investor must or should comply.

GOVERNANCE OF MIFID II PRODUCTS/TARGET MARKET – The Final Terms of each series of Notes will contain a section entitled "Governance of MiFID II Products" which will set out the assessment of the Notes' target market, by taking into consideration the 5 categories referred to in item 18 of the Orientations published by the European Securities and Markets Authority, and appropriate distribution channels. Any

person offering, selling or subsequently recommending the Notes (a “distributor”) must take this assessment of the target market into account; however, any distributor subject to Directive 2014/65/EU (as amended, “MiFID II”) is required to conduct their own assessment of the target market of the Notes (by adopting or expanding the assessment made of the target market) and determine the appropriate distribution channels.

For each issue it will be determined if, in the interests of the rules of governance of products under Delegated Directive (EU) 2017/593 (the “Rules of Governance for MiFID Products”), any Dealer subscribing for the Notes must be considered as a manufacturer of the said Notes, failing which neither the Arranger, the Dealers nor any of their respective affiliates will be manufacturers within the meaning of the Rules of Governance for MiFID Products.

UK MiFIR product governance / target market – The Final Terms of each series of Notes will contain a section entitled “UK MiFIR product governance ” which will set out the assessment of the Notes’ target market, by taking into consideration the 5 categories referred to in item 18 of the Orientations published by the European Securities and Market Authority (ESMA) (in accordance with the FCA’s policy statement entitled “Brexit our approach to EU non-legislative materials”), and which channels for distribution of the Notes are appropriate. Any person offering, selling or subsequently recommending the Notes (a “distributor”) must take this assessment of the target market into account; however, any distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK MiFIR Product Governance Rules”) is required to conduct their own assessment of the target market of the Notes (by adopting or expanding the assessment made of the target market) and determine the appropriate distribution channels.

For each issue it will be determined if, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for the Notes must be considered as a manufacturer of the said Notes, failing which neither the Arranger, the Dealers nor any of their respective affiliates will be manufacturers within the meaning of the UK MiFIR Product Governance Rules.

PRIIPS REGULATION / PROHIBITION ON SALE TO RETAIL INVESTORS ESTABLISHED WITHIN THE EUROPEAN ECONOMIC AREA – The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area. For the purposes of this paragraph, a retail investor shall mean a person meeting any of the following criteria: (i) a retail client as defined in item (11) of Article 4(1) of MiFID II, or (ii) a client within the meaning of Directive 2016/97/EU, where the client is not classified as a professional client as defined in item (10) of Article 4(1) of MiFID II, or (iii) an investor who is not a qualified investor within the meaning of the Prospectus Regulation. Accordingly, no key Information Memorandum stipulated under Regulation (EU) No. 1286/2014 (as amended, the “PRIIPs Regulation”) in order to offer or sell the Notes or to make them available to retail investors within the European Economic Area has been prepared and, consequently, offering or selling the Notes or making them available to any retail investor may be prohibited in accordance with the PRIIPs Regulation.

PRIIPs – PROHIBITION ON SALE TO RETAIL INVESTORS ESTABLISHED IN THE UK – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For the purposes of this paragraph, a retail investor shall mean a person meeting any (or several) of the following criteria: (i) a “retail client”, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or (ii) a “customer” within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the “FSMA”) and any rules or regulations adopted under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA. Consequently, no key Information Memorandum required by Regulation (EU) No 1286/2014, as it forms part of UK domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be prohibited under the UK PRIIPs Regulation.

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RISK FACTORS

The Issuer believes that the following factors are relevant for Noteholders to decide whether to invest in the Notes and/or may affect the Issuer's ability to fulfil its obligations towards investors under the Notes. These risks are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

The Issuer believes that the risk factors described below represent, as at the date of this Information Memorandum, the principal risks inherent in investing in Notes issued under the Programme. The list of risk factors set out below is not intended to be exhaustive and investors may be affected by other factors. Other risks and uncertainties which, on the date of this Information Memorandum, are not known to the Issuer, or are considered non-relevant, may have a significant impact on the investment in the Notes. Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and have their own opinion prior to making any investment decision. Investors should in particular conduct their own assessment of the risks relating to the Notes before making such an investment.

The Issuer considers that the Notes shall only be purchased by investors which are (or are advised by) financial institutions or other professional investors who are in a position to assess the specific risks involved by an investment in the Notes.

Any reference thereunder to a Condition refers to a numbered condition in the "Terms and Conditions of the Notes" section.

1. Risk factors relating to the Issuer and its activities

It should be recalled at the outset that the Issuer, being a non-profit association governed by the non-profit associations Act of 1 July 1901, exhibits numerous specific features that distinguish it from all other associations governed by that Act of 1 July 1901.

This is because the Issuer was instituted at the initiative of the social partners and its affairs are consistently managed on a joint basis. Its activities of managing the unemployment insurance scheme in France (which is compulsory in the sense that all employers in the private sector are required to include their employees in the scheme pursuant to Article L. 5422-13 of the French Code du Travail) make it the cornerstone of the French unemployment insurance system, conferring upon it a role in society which has no equivalent elsewhere in France.

Its method of governance and its usefulness to society intrinsically link the Issuer to the social partners and the government authorities which organise the unemployment insurance scheme in the public interest. At the date of this Information Memorandum, the predominance of the Issuer as an institution in the public employment service has not been called in question by the national actors in employment policy.

Impact of the macroeconomic environment on the Issuer

The Issuer, as manager of the unemployment insurance scheme, is particularly sensitive to national and international macroeconomic trends. The main factors influencing the Issuer's financial position are the growth rate in the French Gross Domestic Product with its knock-on effects on employment among subscribers to the scheme, the employment policies of the Government and of businesses, and the effect of decisions by the social partners on the rules for compensating those seeking work and on contribution rates.

In view of the macroeconomic environment at the date of this Information Memorandum, the Issuer's activity shows a worsening of its financial position; the fund raising needs being inherent to a negative trend of the context and of the current macroeconomic fundamentals.

The scissor effect caused by the increase in number of job seekers (a fall in the number of contributors and an increase in the cost of benefit payments) will negatively impact the Issuer's results; any improvement in the economic situation will result in the opposite scissor effect, contributing to the improvement in the Issuer's financial situation.

Covid 19 epidemic

The Covid-19 epidemic is likely to have serious consequences on the national and international macroeconomic environment, which would have the effect of deteriorating the Issuer's financial situation in respect of its activity of managing the unemployment insurance system to a degree that will be assessed in light of developments in the public health crisis. It is foreseeable that the impact will be experienced both with respect to the Issuer's revenues (through decreased dynamism in its revenues, or even a decrease in revenues due to a downturn in employment) and expenditures (through a lesser decrease in expenditures or through an increase in such expenditures due to the risk of a slowdown in the return to employment arising from stay-at-home orders).

In addition, the public health and economic emergency measures taken (or which are planned to be taken) on an emergency basis by the public authorities pursuant to French law no. 2020-290 of 3 March 2020 to face the Covid-19 epidemic will, by their nature, have a financial impact on Unedic. The exceptional measures include: (i) measures relating to wage-subsidies (*activité partielle*) and back-to-work allowance (*allocation d'aide au retour à l'emploi* or "ARE"), and (ii) operating measures relating to collecting contributions and organising the benefit payment service. This arrangement is intended to allow the unemployment insurance system to continue to play its role as a social and economic stabiliser for households and companies during this period.. This crisis, unprecedented in its scope, has already had significant financial consequences on the system: since January 2020, the unemployment insurance system's balance has deteriorated from over € 16 billion at the end of September. Although at a slower pace, this deterioration in the financial situation of the unemployment insurance system would continue at the end of the year and in 2021, bringing the annual deficit to €18.7 billion at the end of 2020 and to €9.7 billion at the end of 2021. This deficit would bring the debt to nearly €65.2 billion at the end of 2021, after 55.5 billion euros at the end of 2020. Details about the principal measures and estimates are set out in the "Recent Developments" section below, it being specified that, the Issuer will continue to carry out its forecasting work as part of its role of the manager of the Unemployment Insurance system.

Authorisation of the unemployment insurance agreement may be withdrawn for failure to maintain the financial equilibrium of the unemployment insurance scheme or to protect the rights of job seekers

Articles L. 5422-13 *et seq.* of the French *Code du Travail* lay down the principle of the existence of a compulsory unemployment insurance scheme. The measures implementing these rules which were set by the legislator are enacted by way of agreements concluded by the social partners and, for those measures to be binding and applicable, they must be approved by the Prime Minister¹. This authorisation represents the agreement given by the Prime Minister for the application of the unemployment insurance agreement to all employers and employees in the private sector.

Authorisation may be withdrawn where the stipulations of the agreement or the conditions for its application cease to be in conformity with the legal provisions². The legal provisions in question include in particular those providing for the contribution and benefit rates to be calculated so as to guarantee the financial equilibrium of the unemployment insurance scheme³.

Accordingly, adjustments in the financial situation of the unemployment insurance scheme must be covered by an agreement of all the social partners managing the Issuer, and this agreement is subject to the authorisation of the State. In the event that economic conditions make it impossible to continue ensuring the financial equilibrium of the scheme, the social partners must take all necessary measures to restore that financial equilibrium, particularly by revising the parameters for unemployment compensation (contribution rates, benefit entitlement rules). These decisions are designed to ensure the financial equilibrium of the unemployment insurance scheme during medium-term cycles "accommodating" the economic situation, allowing for the lag between economic developments and their impact on employment.

The Conseil d'Etat took the view that when the Minister with responsibility for Employment regards the financial equilibrium of the unemployment insurance scheme or the protection of the rights of job seekers as not guaranteed by the agreement of the social partners, the State may, by virtue of its powers of appraisal, object in the general interest to the authorisation sought for the unemployment insurance agreement⁴.

¹Art. L. 5422-21 *Code du Travail*.

²Art. R.5422 -16, para. 2 *Code du Travail* .

³Art. L. 5422-12 *Code du Travail* .

⁴Conseil d'Etat, 11 July 2001, req. [application] No. 224586 and following.

In the absence of that authorisation, or in the event of its withdrawal, the French *Code du Travail* provides for the State, under a management agreement, to confer upon any Private bodies that it chooses the management of the unemployment insurance scheme, including the payment of unemployment benefit and the collection of contributions. However, in the absence of such a management agreement, the management of the unemployment insurance scheme is entrusted to a national public corporation of administrative character [quasi-government]⁵.

While a risk therefore exists that the Issuer may have its authorisation withdrawn, so that it no longer has charge of managing the unemployment insurance scheme, undermining the financial equilibrium of the Issuer and, more generally, the French unemployment benefit system, mechanisms exist to forestall such a risk. This is because the Issuer is subject to inspection by the Inspection Générale des Finances [General Finance Inspectorate] and by the Treasury auditors⁶, and is also subject to the supervision of a member of the “corps du contrôle général économique et financier” [general economic and financial inspectorate] who attends the meetings of the Issuer’s Executive Committee and Board of Directors. Government is thus involved in the management decisions made by the Issuer and may object to them and withdraw its authorisation if it takes the view that the Issuer’s management fails to fulfil the statutory obligation to ensure the scheme’s financial equilibrium.

It results from these provisions that the continuity of the unemployment insurance scheme in any event, including notably when the measures provided under the agreement that are necessary to guarantee its equilibrium or return to its equilibrium cannot be taken.

The authorisations given to the unemployment benefit agreement of 14 May 2014 and the related agreement of 14 April 2017 illustrate this situation: whereas the unemployment insurance scheme is in deficit, the State approved the provisions of the agreement negotiated by the social partners even though in the economic context, those provisions could not be applied without recourse to borrowing by the Issuer, illustrating the fact that the government authorities provide the support for the undertakings subscribed by the Issuer, where those undertakings are made with due regard to the prospects for restoring the Issuer’s financial situation in the medium term.

Conformity and extension of the unemployment benefit agreement of 14 May 2014

As a consequence of the cancellation of a specific provision of the general rules (*règlement général*) attached to the unemployment benefit agreement pertaining to the “deferred compensation” measure, the Conseil d’Etat, by a decision dated 5 October 2015, cancelled the Order (“*Arrêté*”) dated 25 June 2014 approving the agreement of 14 May 2014 with effect as of 1 March 2016, as further described in the paragraph “*Legislation governing the Issuer’s activities*” in section “*Description of the Issuer*” below. The social partners held a meeting on 18 December 2015 in order to bring the agreement of 14 May 2014 into compliance with the law by way of amendment in view of a new approval of the agreement. This amendment agreement was executed on 18 December 2015 and entered into force on 1 March 2016.

The unemployment benefit agreement of 14 May 2014 was entered into for a fixed term between 1 July 2014 and 30 June 2016. The implementation measures for the unemployment benefit scheme are established by Decree (“*Décret*”) at Conseil d’Etat in the absence of an agreement between the social partners on the terms of new unemployment benefit agreement. Pursuant to Article L. 5422-20 of the Labour Code and in the absence of any such agreement between the social partners, the implementation measures for the unemployment benefit scheme were established under the terms of Decree no. 2016-869 of 29 June 2016, superseded by Decree no. 2016-8669 of 13 July 2016, relating to the unemployment benefit scheme for workers made redundant involuntarily which, in their version applicable as of 30 June 2016 and with the exception of the provisions or stipulations they contain concerning their period of application, provides for the extension of agreement of 14 May 2014 and of the general rules appended to the said agreement until the coming into force of the Order implementing a new unemployment benefit agreement agreed by the social partners⁷.

Adoption of the unemployment insurance agreement of 14 April 2017

An unemployment benefit agreement was agreed on 14 April 2017 by the social partners. This agreement was approved by Order issued by the Minister of Employment, Vocational Training and Social Dialogue dated 4 May 2017, notably pursuant to the provisions of Article L.5422-20 to Article L.5422-23 of the Labour Code. The

⁵Art. L. 5427-7 *Code du Travail*.

⁶Art. L. 5427-6 *Code du Travail*.

⁷ Decree no. 2016-869 of 13 July 2016 was taken to integrate within the general rules appended to the amended agreement of 14 May 2014 the provisions of the joint agreement of 28 April 2016 and its amendment of 23 May 2016 relating to intermittent workers in the entertainment industry.

agreement and its annexes establish the implementation measures of the unemployment benefit scheme with effect from 1 October 2017 for a duration of 3 years, namely until 30 September 2020.

The main changes made to the unemployment benefit scheme by the agreement of 14 April 2017 notably concerned (i) calculation of unemployment benefit, which was based only on the number of days worked, (ii) the modification of the maximum benefit duration for unemployed people aged over 50 (progressive scale from 24 months to 36 months maximum for unemployed people aged over 55), (iii) specific benefit deferral in the event of supra-legal indemnities being paid (which was reduced from 180 to 150 days), (iv) creation of a temporary extraordinary contribution at the rate of 0.05% and exclusively payable by the employer⁸, and (v) elimination of the variations in employers' contributions to the unemployment insurance system for fixed-term contracts.

On 18 June 2019, the government presented the social partners with a proposal on the reform of the unemployment insurance system. This proposal followed the employment orders and French law no. 2018-771 dated 5 September 2018 "regarding the freedom to choose one's professional future" (as described below). The social partners not having reached an agreement within the planned time period, it fell to the government to determine the measures for implementing the unemployment insurance system by decree n°2019-797 dated 26 July 2019.

The decree of 26 July 2019 repealed the order (*arrêté*) of 4 May 2017 approving the 14 April 2017 unemployment insurance agreement and the related texts, with the exception of amendment no. 2 of 14 April 2017 to the agreement dated 26 January 2015 relating to the safeguarding of career contract (*contrat de sécurisation professionnelle*). Most of the provisions of the decree came into force starting 1 November 2019 and will apply until 1 November 2022.

It had been planned that decree no. 2019-797 dated 26 July 2019 would fully come into force on 1 April 2020, i.e., with respect to the second reform area relating to the change in the method of calculating the daily reference salary (*salaire journalier de référence*), which serves as the basis for calculating unemployment benefits. In the context of the spread of Covid-19 and in light of the disease's consequences on the job market, decree no. 2020-361 of 27 March 2020 modifying decree 2019-797 dated 26 July 2019, first postponed the effective date of the method for calculating the daily reference salary serving to calculate unemployment benefits to 1 September 2020. Decree no. 2020-929 of 29 July 2020 extended the deferral from 1 September 2020 to 1 January 2021. As a result, certain provisions of the 14 April 2017 unemployment insurance agreement remain applicable during the interim period between 1 November 2019 and 1 January 2021, while certain exceptional transitional provisions laid down by the decree n°2020-929 of 29 July 2020 were applicable, in terms of opening and recharging of the rights to the unemployment insurance system, since Article 3 of Decree n°2020-929 of 29 July 2020 sets the minimum period of affiliation from 6 months worked over 24 months to 4 months worked over 24 months, for workers who are out of work and whose employment contract would end between August 1, 2020 and December 31, 2020 (before 1 November 2019, the minimum period of affiliation was 4 months worked over 28 months).

Decree no. 2020-1716 dated 28 December 2020 has amended Decree no. 2019-797 dated 26 July 2019 relating to the unemployment insurance and Decree no. 2020-425 dated 14 April 2020 on emergency measures for replacement income. This text takes into account (i) the economic, financial and social consequences of the spread of the Covid-19 virus, in particular following the introduction of new periods of travel restrictions and (ii) the decision of the *Conseil d'Etat* dated 25 November 2020, leading to the cancellation of certain rules resulting from the decree dated 26 July 2019.

Decree no. 2020-1716 dated 28 December 2020 firstly postponed the unemployment insurance reform, provided for by Decree no. 2020-929 of 29 July 2020, from 1 January 2021 to 1 April 2021.

Decree no. 2020-1716 of 28 December 2020 also drew the consequences of the decision of the *Conseil d'Etat* dated 25 November 2020, having cancelled certain provisions of Decree no. 2019-797 of 26 July 2019 relating to the unemployment insurance system concerning (i) the determination of the reference daily wage, taking into account the non-work days and (ii) the referral to orders of the minister responsible for employment for the purpose of determining the average separation rate beyond which a sector of activity may be subject to the mechanism of modulation of the unemployment insurance contribution and the sectors concerned by such modulation, on the grounds, respectively, of infringement of the principle of equality and unlawful sub-delegation,

⁸ The decree of July 26, 2019 then perpetuated this exceptional contribution, initially planned for a maximum period of 3 years (i.e. until 30 September 2020), by increasing the rate of contributions payable by the employer to 4.05%.

Consequently, for all the provisions referred to below, the situation of employees, whose employment contract is terminated before 1 April 2021 or whose dismissal procedure is initiated before that date, remains governed by the general regulations annexed to the unemployment insurance agreement of 14 April 2017, as regards :

- the calculation of the duration of compensation (Art. 9 § 1 and 2 of the general unemployment insurance regulations);
- the calculation of the reference salary (Art. 11 § 1, 12 § 1, 3 of the general unemployment insurance regulation);
- the calculation of the reference daily wage (Art. 13 of the general unemployment insurance regulation); and
- the determination of compensation deferrals (Art. 21 and 23 of the general unemployment insurance regulation).

As of 1 April 2021, the rules relating to the calculation of the back-to-work allowance, the duration of compensation and the starting point for payment of the allowance should come into force.

Finally, Decree no. 2020-1716 of 28 December 2020 also provides for the maintaining until 31 March 2021 of certain temporary arrangements, initially in force until 31 December 2020, such as the reduction of the minimum period of affiliation (to 4 months worked over 24 months) and the neutralization of the allowance's degressivity measure.

In addition to decree n°2020-1716 of 28 December 2020, the following texts provide for an exceptional extension of the rights of jobseekers who reach the end of their compensation during the period of sanitary crisis :

- Law no. 2020-1379 dated 14 November 2020 authorizing the extension of the state of sanitary emergency;
- Order (*ordonnance*) no. 2020-1442 dated 25 November 2020 reinstating emergency measures for replacement income mentioned in Article L. 5421-2 of the Labor Code;
- Order (*arrêté*) dated 9 December 2020 on emergency measures relating to replacement income mentioned in Article L. 5421-2 of the Labor Code and the decree of 23 December 2020 amending the decree dated 9 December 2020.

The Issuer published Circular No. 2021-01 dated 8 January 2021, relating to the extension of certain provisions of the general regulations annexed to the agreement of 14 April 2017 and other emergency measures relating to Covid-19, in order to further detail these various arrangements.

Finally, it is recalled that the government and the social partners resumed the consultation on the unemployment insurance reform on 25 January 2021.

Applicability of Article L. 213-15 of the Monetary and Financial Code

Article L. 213-15 of the Monetary and Financial Code provides in particular that when, as a result of the cumulative losses recognised in the accounting records, the net worth of a non-profit association has fallen by more than half of the amount outstanding at the end of the financial year preceding that of the issue, the general meeting, the Board of Directors for purposes of the Issuer since under the Articles of association that Board exercises the powers and duties usually assigned to the general meetings must meet within four months of the approval of the financial statements recording such losses, for the purpose of deciding whether to continue the association's activity or to dissolve it.

If it is decided not to dissolve, the association is required, no later than the end of the second financial year following the one in which the losses were recognised, to reconstitute its net worth.

In the event of the activity continuing, but without the net worth being reconstituted within the required time limit, or failing any valid decision as to whether the association's activity should be continued, the association is no longer entitled to issue new securities and any holder of securities already issued may apply to the courts for immediate refund of the whole outstanding amount. The court may nevertheless grant the association 6 months in which to remedy the situation; the court may not order immediate reimbursement if, on the date of its ruling on the merits, the situation has been remedied.

However, investors' attention is drawn to the fact that the applicability of Article L. 213-15 of the Monetary and Financial Code depends on several factors, which remain undetermined at the date of this Information Memorandum, in particular the following: (i) the change in the amount of the Issuer's net worth compared with

the amount obtained at the end of the financial year preceding that of the issue (in continual decline since 2008 yet without net worth falling by more than one-half from one period to the next, with the exception of financial year 2010), and (ii) the maturity periods of the issues to be carried out under the Programme detailed in this Information Memorandum.

Article 107§2 of the law No.2004-1485 of 30 December 2004 (French updated 2004 budget law) provides that the loss of the right to issue new securities and the option offered to any holder to apply to the courts for immediate refund of the whole amount issued is not applicable to the Issuer's issues when such issues benefit from the guarantee of the French State. Pursuant to Article 201 of 2021 budget law no. 2020-1721 of 29 December 2020, the Minister for Economy is expressly authorised to grant the guarantee of the French State to the borrowings subscribed by the Issuer in 2021, in terms of principal and interest, subject to a maximum overall amount of €13 billion in principal. Pursuant to Article 199 of 2020 budget law no. 2019-1479 of 28 December 2019 (as amended by article 17 of the amended 2020 budget law no. 2020-473 dated 25 April 2020 and by Article 40 of the amended budget law n°2020-935 for 2020 as of 30 July 2020) and Article 213 of 2018 budget law no. 2018-1317 of 28 December 2018, the Minister for Economy was expressly authorised to grant the guarantee of the French State to the borrowings subscribed by the Issuer, in terms of principal and interest, subject to a maximum amount of €15 billion in principal (for the borrowings subscribed in 2020) and of €2.5 billion in principal (for the borrowings subscribed in 2019). It results from the preliminary discussions over these legal texts that the members of the *Assemblée Nationale* (French National Assembly) and of the *Sénat* (French Senate) intended by these articles to avoid application of the provisions of the second sentence of Article L. 213-15§6 to any issues that could be made by the Issuer within the limits above mentioned. Although not automatic, the guarantee of the French State was thus granted in respect of bonds issued in 2020, in an aggregate amount of €15 billion (consisting of a first tranche of €2 billion by order of the Minister of the Economy and Finance dated 11 February 2020, a second tranche of €6 billion by order of the Minister of the Economy and Finance dated 25 May 2020 and a third tranche of €7 billion by order of the Minister of the Economy, Finance and Recovery on 18 September 2020, and in respect of bonds issued in 2021, in an amount of €8 billion by order of the Minister of the Economy, Finance and Recovery dated 13 January 2021, being specified that a new tranche (within the limit of €5 billion) shall be granted by the Minister of the Economy, Finance and Recovery for any issue exceeding the cap fixed by the order dated 13 January 2021.

A large proportion of the Issuer's activities is carried out by Pôle emploi and by the Agence centrale des organismes de sécurité sociale (Acos) on behalf of the Issuer

Under the terms of the agreement between the Issuer and Pôle emploi dated 19 December 2008, of the quadripartite agreement executed between the Issuer, Pôle emploi, the AGS (Association for the management of the unemployment insurance scheme of the employees creditors "*Association pour la gestion du régime d'assurance des créanciers des salariés*") and Acos on 17 December 2010 and of the tripartite agreement executed between the Issuer, Pôle emploi and Caisse centrale de mutualité sociale Agricole (CCMSA), Pôle emploi, Acos and CCMSA perform a number of missions on the Issuer's behalf, which actually constitute the Issuer's operational activities. It should be pointed out that Pôle emploi is a public body created on 19 December 2008.

Pôle emploi and Acos (for the majority of employees via the urssaf network) collect the contributions payable under the unemployment insurance scheme and the contributions payable under the scheme for guaranteeing amounts payable to employees, as well as paying unemployment benefit to jobseekers. CCMSA collects the contributions payable under the unemployment insurance scheme and the contributions payable under the scheme for guaranteeing amounts payable to employees by the employers of the agricultural sector.

Accordingly, investors' attention is drawn to the fact that these Issuer's operational activities are performed by third parties which the Issuer's main role consists of prescribing. The Issuer has nevertheless created structures to control such operational risks, enabling it within the framework of negotiated agreements, to carry out the necessary controls to check compliance with the rules it prescribes, with respect to unemployment benefit payments and to the rates and bases of unemployment insurance contributions.

Changes to the unemployment benefit scheme within the context of reforms announced by the government

In late 2017, consultation on unemployment benefits was initiated by the French government, notably covering the possibility of the benefit scheme being widened to include populations not currently covered (self-employed workers and those having resigned from their posts) and developing the scheme's modes of financing and governance.

At the request of the government, the social partners negotiated and entered into a national inter-professional agreement dated 22 February 2018 on the reform of unemployment benefits within the framework of the roadmap forwarded to them by the government on 14 December 2017.

The agreement of 22 February 2018 thus included four main measures and themes:

- Creation of a right to receive benefit for those who resign from their posts ("AREP"): the objective is to offer security to those resigning from their posts who are pursuing a professional development project. Employees may be entitled to AREP, the amount and duration of which would be equivalent to the benefits entitlement under ordinary law, if they are able to demonstrate (i) the existence of a professional retraining project requiring new qualifications or additional training following validation of prior experience, (ii) a minimum affiliation period to the benefit scheme of 7 uninterrupted years constituted under the previous posts occupied, and (iii) effective resignation from their post. Furthermore, the social partners are scheduled to meet periodically (every 12 months) to verify the financial equilibrium of the measure and to discuss any required adjustments to prevent it from significantly exceeding the cost estimated by Unédic (between 180 and 330 million euros on a full year basis).
- Inclusion of self-employed workers: a working group was established by the social partners in order to look into this matter and to propose regulatory changes. The agreement of 22 February 2018 states that covering situations where the self-employed have no work would call for the introduction of a specific financial contribution or, failing this, a state-backed scheme financed out of taxes and distinct from unemployment benefits for salaried workers, providing for a specific benefit. The conclusions of the working group were scheduled to be issued before the end of 2018 or the beginning of 2019; they will be issued at a subsequent date.
- Moderation of the use of short-term contracts: all of the professional branches should commence negotiations in order to determine how best to establish long-term employment. An agreement or report on the conclusions was anticipated before 31 December 2018. The social partners agreed to grant an additional period of time to arrive at an agreement.
- Development of governance and management: reaffirming their support for the collaborative nature of the scheme, the social partners have no plans to question the current organisation yet wished to clarify responsibilities and to work towards more harmonious interaction between solidarity policies and unemployment insurance.

Unédic's missions were confirmed by legislation, while adapting the scope of the unemployment insurance scheme in accordance with the provisions of law no. 2019-771 of 5 September 2018 in support of the freedom to choose one's own professional future, which came into effect on 1 January 2019⁹.

Regarding Unédic's governance, law no. 2018-771 of 5 September 2018 retains the responsibilities of the social partners in the definition of regulations and introduced financial scoping that specifies, in advance of the negotiations of the unemployment insurance agreements, the objectives regarding future financial objectives, the deadline for the conclusion of negotiations and, as applicable, the objectives for any development of the rules governing the unemployment insurance scheme¹⁰.

Further to the national interprofessional agreement dated 22 February 2018 referred to above, the new legislative arrangement resulting from law no. 2018-771 of 5 September 2018 on the freedom to choose one's professional future also:

- introduced benefit entitlements for resigning employees, based on new legal grounds for legitimate or "similar" resignations;
- introduced a new right to benefits for independent workers.

The implementing measures for the new schemes created by law no. 2018-771 of 5 September 2018 regarding the freedom to choose one's professional future notably form part of the negotiations of a new unemployment

⁹ The provisions of Title II of the law, which relate to the unemployment insurance system, went into effect on 1 January 2019, with the exception of, in particular, the arrangements relating to the government's scoping document, which came into force on 7 September 2018.

¹⁰ The contents of the scoping document were confirmed by decree no. 2018-791 dated 14 September 2018.

insurance agreement. The social partners thus commenced negotiations of a new unemployment insurance agreement without waiting for the end of the current agreement, pursuant to the new scoping conditions established by the government in its scoping letter dated 25 September 2018 setting the future financial objectives to be met and the objectives to be achieved with respect to unemployment compensation rules. The social partners did not reach an agreement within the time period set by the public authorities. Failing such an agreement, the unemployment insurance rules must consequently be determined by a decree adopted following an opinion of the *Conseil d'Etat* in accordance with applicable regulations, after prior consultation with the social partners as necessary.

Any decisions relating to possible changes to the unemployment insurance scheme likely to affect the Issuer will lead to an update of this Information Memorandum.

Adoption of the unemployment insurance regulation by decree dated 26 July 2019, as amended by the decree dated 30 October 2019 and the decrees dated 27 March 2020 and 29 July 2020.

On 18 June 2019, the government presented the social partners with a proposal on the reform of the unemployment insurance system. This proposal followed the employment orders and French law no. 2018-771 dated 5 September 2018 regarding the freedom to choose one's professional future. As the social partners had not reached an agreement within the planned time period, it fell to the government to determine the measures for implementing the unemployment insurance system.

The unemployment insurance regulation therefore results from decree no. 2019-797 dated 26 July 2019 (which was published in the *Journal Officiel de la République Française* of 28 July 2019), as modified by decree no. 2019-1106 of 30 October 2019 (which was published in the *Journal Officiel de la République Française* on 31 October 2019).

The changes made by decree no. 2019-797 dated 26 July 2019 concern in particular:

- (i) the method for calculating unemployment insurance benefits, which will no longer be based only on the number of days worked but on the job's average monthly pay,
- (ii) the minimum employment period necessary to benefit from back-to-work allowance (*aide au retour à l'emploi*, or "ARE"), which will be increased to 130 days (or 910 hours) over the 24 months that preceded the end of the employment contract with respect to jobseekers aged less than 53 years at the date of the end of their employment contract (and over the last 36 months for jobseekers aged 53 years and older),
- (iii) an adjustment of the entitlement renewal system, which will be subject to the condition that the employee demonstrates that he/she has been affiliated with the unemployment insurance system for at least 130 days worked (or 910 hours worked) in respect of one or more activities carried out prior to the employment contract end date,
- (iv) the maximum compensation period giving rise to the payment of unemployment benefits (ARE), which cannot be less than 182 calendar days nor more than 730 calendar days. For the unemployed aged at least 53 years and less than 55 years on the date of the end of their employment contract, this limit is increased to 913 calendar days (and to 1,095 calendar days for the unemployed aged at least 55 years),
- (v) the implementation of a 30% degressivity principle (i.e., 0.7 degressivity coefficient) applicable to unemployment insurance benefits starting on the 183rd day of being paid benefits with respect to jobseekers whose former salaries exceed a certain amount (€4,500 (gross)),
- (vi) the creation of a bonus-penalty system relating to employers' separation rate for firms with more than 11 employees operating in the seven business sectors that most often have recourse to short-term contracts,
- (vii) entitlement to employment benefits (ARE) for certain resigning employees and for independent workers under certain conditions¹¹,

¹¹ Decree no. 2019-797 of 26 July 2019 (as amended by the decree dated 20 October 2019) sets the conditions applying to access to unemployment insurance benefits (ARE) for resigning employees and independent workers.

(viii) the implementation of new support measures for jobseekers who combine employment income with unemployment benefits or who go between being employed and unemployed, and

(ix) revaluation of the Issuer's rate of contribution to the financing Pôle emploi, from 10% to 11%.

On 1 November 2019, the Issuer published circular no. 2019-12 comprising thirteen data sheets regarding the new unemployment compensation rules. However, this constitutes only an interim version applicable to employees deprived of employment whose contract termination date occurred between 1 November 2019 and 31 March 2020. An update was planned in respect of the period commencing 1 April 2020, the date on which the unemployment insurance system provided for by decree no. 2019-797 of 26 July 2019 had to be, in principle, applicable in full. In view of the various postponements provided for by the decrees dated 27 March 2020 and 29 July 2020, the above-mentioned circular will be updated when the unemployment insurance system reform will be fully effective.

During the transitional period, the Issuer issued Circular No. 2020-12 of 6 October 2020, relating to the unemployment insurance regulation in force between 1 August and 31 December 2020.

In consideration of the further postponement of the entry into force of the unemployment insurance reform (postponed from 1 January 2021 to 1 April 2021), Circular No. 2021-01 of 8 January 2021, relating to the extension of certain provisions of the general regulation annexed to the agreement of 14 April 2017 and other emergency measures relating to Covid-19, provides that Circular No. 2020-12 of 6 October 2020 remains applicable until 1 April 2021, and more specifically, the rules developed in the following data sheets :

- sheet n° 1 relating to the adjustment of the minimum affiliation condition;
- sheet n° 2 relating to the determination of the daily allowance;
- sheet n° 3 relating to the duration of compensation;
- sheet no. 4 on the starting point of compensation.

Accounting principles, rules and methods of the Issuer

The annual financial statements of the Issuer (consisting of the balance sheet, income statements and notes) are prepared in accordance with the chart of accounts for the unemployment insurance scheme approved by the Conseil National de la Comptabilité on 9 January 1995 (declaration of conformity no. 79). They take into account the specific aspects of the declarative nature of unemployment insurance. Unemployment insurance is a specific pay-as-you-go scheme.

The Issuer "consolidates" all of the accounts of the unemployment insurance institutions. In a strictly legal sense, "consolidates" equates to a "combination" of accounts in accordance with regulation no. 99-02 of the Conseil National de la Comptabilité. The accounting principles, rules and methods of the Issuer are set out in more detail in its financial report (see section entitled "Documents incorporated by reference").

The financial assessment of the Issuer by investors must take this specific form of accounting into consideration.

Liquidity risk

The liquidity risk vis-à-vis the Issuer would arise should the latter not have adequate funds to honour its commitments. Subject to the other information set out in this Information Memorandum, and in particular information regarding the consequences arising from the Covid-19 epidemic, liquidity risk is permanently hedged by proactive management of liquidities and access to diversified sources of financing, both in the long term (EMTN programme totalling 60 billion euros) and in the short term (medium-term note programme totalling 10 billion euros and short-term note programme totalling 18 billion euros).

Exchange rate risks

The Issuer maintains a sound policy with respect to the management of the interest rate risk and the exchange rate risk. The Issuer uses or shall use standard interest rate hedging instruments in the case of an issue of floating rate Notes and concludes or will conclude euro currency swap agreements in the case of an issue of Notes in foreign currencies. See the paragraphs entitled "Risks related to fluctuations in interest rates and inflation" and "Exchange rate and exchange control risks" from the section below entitled "Risk factors relating to the notes and to the market".

2. Risk factors relating to the Notes and to the market

The following paragraphs describe the principal risks factors that the Issuer believes are material with respect to the Notes in order to assess the risks associated with these Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investments in a specific Series of Notes and the suitability of such investment in light of their particular circumstances.

Prescription of the Guarantee

The limitation period applicable to the guarantee of the French State is different from the one applicable to the Notes.

Pursuant to Article 1 of law no. 68-1250 dated 31 December 1968 on prescription periods including those relating to claims on the French State, any demand for payment by the French State, and therefore including demands for payments pursuant to the Guarantee, is extinguished following a period of four (4) years as from the 1st of January in the year following the date on which the guaranteed amounts become due. No claim for payment in respect of the Guarantee instituted after that date could be honoured. Pursuant to French law as at the date hereof, the State's assets cannot be seized and cannot be the subject of private law enforcement proceedings in France. Consequently, should the Issuer default, Noteholders may not instigate any private-law enforcement proceedings or any seizure proceedings in France against the assets or property of the State.

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

The debt securities market can be volatile and negatively impacted by many events

The market for debt securities is influenced by economic and market conditions and, to varying degrees, by interest, exchange and inflation rates in other European and industrialized countries. There can be no guarantee that events in France, Europe or elsewhere will not create market volatility or that such volatility will not negatively impact the market value of the Notes or that economic and market conditions will not have some other negative effect.

Investors will not be able to calculate in advance the yield rate on Floating Rate Notes

A key difference between Floating Rate Notes and Fixed Rate Notes is that the interest income of the Floating Rate Notes cannot be anticipated. As a result of the variation in interest incomes, investors cannot determine a given yield of the Floating Rate Notes at the time of purchase. Therefore, the return as their investments cannot be compared to that of investments having longer fixed interest periods. If the terms and conditions of the Notes determine frequent dates for payment of interest, the investors are exposed to the risk of reinvestment if the trading interest rates shall decrease. In such case, investors may only reinvest their interest income at the lowest interest rate in force at that time.

An active market for the Notes may not develop or continue

There can be no guarantee that an active market for the Notes will develop or, if one does, that it will continue. If an active market for the Notes does not develop or does not continue, the market price and liquidity of the Notes may be negatively affected. As a result, investors might not be able to easily sell their Notes or to sell them at a price that would offer a yield on similar products for which an active market would have developed.

The Issuer has the right to purchase Notes pursuant to the terms defined in Condition 7(e) and the Issuer may issue new Notes, pursuant to the terms defined in Condition 13. Such transactions may affect the course of the price of the Notes, either positively or negatively. The introduction of additional or competing products on the markets could negatively affect the value of the Notes.

The Notes may be redeemed prior to maturity

If at the time of repayment of principal or interest, the Issuer is obligated to pay additional amounts pursuant to Condition 9(b), it may then, pursuant to Article 7(d), redeem all the Notes at the Early Redemption Amount together with, unless otherwise specified in the relevant Final Terms, any interest accrued to the date established

for redemption. The terms and conditions of redemption for tax reasons are specified in Article 7 (d) (ii) and in Article 9 (b).

Any early redemption option for the benefit of the Issuer, provided in the Final Terms for a given Issue of Notes may result, for the Noteholders, in a yield that is considerably lower than anticipated.

The Final Terms for a given Tranche may provide an early redemption option for the benefit of the Issuer. As a result, the yield at the time of redemption may be lower than anticipated by Noteholders and the value of the amount of the Notes redeemed may be lower than the Noteholder's purchase price. As a result, part of the Noteholders' capital invested could be lost which means Noteholders might not receive the full amount of the capital invested if they had paid a purchase price greater than par. Furthermore, in case of early redemption, Noteholders who choose to reinvest the funds they receive might only be able to reinvest in financial instruments with yields below those of the redeemed Notes.

Early partial redemption by the Issuer or Noteholders may affect the liquidity of the Notes of a given Series for which the option has not been exercised.

Risks related to fluctuation in interest rates and inflation

It cannot be guaranteed that the market value of Fixed Rate Notes will not be adversely affected by future fluctuations on the interest rate market or by inflation.

Exchange rate and exchange control risks

The Issuer will pay principal and interest on the Notes in the currency specified in the relevant Final Terms (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These risks notably consist in exchange rates significantly changing (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and in authorities with jurisdiction over the Investor's Currency imposing or modifying 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 in the Investor's Currency, (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 having jurisdiction on the Specified Currency or the Investor's Currency may impose (as some have done in the past) exchange control measures that could adversely affect exchange rates. As a result, investors may receive lower interest or principal amounts than anticipated, or even no interest or principal at all.

Credit risks of the Issuer

Potential investors are exposed to the credit risk of the issuer. Credit risk shall be taken to mean the risk of the Issuer being unable to meet its financial obligations under the Notes, giving rise to a partial or full loss by the investor. However, such risks should be viewed within the context of the status of the Issuer.

Risk relating to credit ratings

Independent credit rating agencies may assign credit ratings to the Notes issued under the Programme in addition to the credit ratings that may be assigned to the Issuer itself. Such ratings do not necessarily reflect the potential impact of the risk factors described in this section, and other risk factors that may affect the value of the Notes issued under the Programme. A credit rating does not constitute a recommendation to buy, sell or hold Notes and may be revised, suspended, modified or withdrawn by the rating agency at any time.

Modification of the Terms and Conditions of the Notes

The Noteholders will be grouped automatically for the defence of their common interests, for each Tranche of the same Serie, in a Masse, as defined in Condition 12 of the Terms and Conditions of the Notes "Representation of the Noteholders", and a general meeting of Noteholders can be held. The terms and conditions of representation of the Noteholders permit in certain cases to bind all Noteholders who did not attend the relevant general meeting

or who voted in a manner contrary to the majority by the vote of Noteholders who did attend the relevant general meeting or had been represented.

The general meeting of Noteholders may, deliberate on any proposal relating to the modification of the Terms and Conditions of the Notes, notably on any proposal, whether for arbitration or settlement, relating to rights in controversy or which were subject of judicial decisions.

Tax on financial transactions

On 14 February 2013, the European Commission proposed a draft directive (the “**Draft Directive**”) implementing enhanced cooperation in relation to the tax on financial transactions which, if adopted, could impose a tax on the financial transactions related to the Notes (the “**FTT**”).

If the Draft Directive is adopted as it currently stands and is transposed into the relevant national laws, holders of the Notes may be exposed to an increase in transaction costs in respect of financial transactions concerning the Notes and the liquidity of the Notes may be diminished. It was initially planned that the Draft Directive come into force in eleven (11) countries of the European Union (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain) (the “**Participating Member States**”, and each of them a “**Participating Member State**”). In March 2016, Estonia officially gave notice that it would no longer be a Participating Member State.

Under the Draft Directive, the FTT would apply to all financial transactions where at least one party to the transaction or person acting on behalf of a party to the transaction is established or deemed to be established in a Participating Member State. However, the FTT should notably not apply to the primary market transactions referred to in Article 5(c) of Regulation (EC) 1287/2006 of the Commission of 10 August 2006, including activities relating to the subscription for and allocation of financial instruments in the context of their issuance. The FTT would be payable by each financial institution established or deemed to be established in a Participating Member State if it is a party to a transaction or is acting for the account of a party to the transaction or if the transaction was carried out for its own account. In addition, the FTT could affect the value of the Notes.

If the Draft Directive is adopted as it currently stands and is transposed into the relevant national laws, holders of the Notes may be exposed to an increase in transaction costs in respect of financial transactions concerning the Notes and the liquidity of the Notes may be diminished. person considering investing in the Notes is invited to consult its own tax advisor with respect to the FTT.

Tax matters

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes.

Potential investors are advised to not rely upon the tax overview contained in this Information Memorandum and/or in the Final Terms but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, remuneration, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor.

Change in legislation

The Terms and Conditions of the Notes and the provisions relating to the Guarantee are governed by French law as at the date of this Information Memorandum. No representation is made as to the impact of a judicial or administrative court decision or a change in French laws or regulations (or the manner in which they are construed by competent authorities) as of any later date.

Risks relating to Notes related to benchmark indexes

The Euro Interbank Offered Rate (“**EURIBOR**”), the London Interbank Offered Rate (“**LIBOR**”) and other indices considered to be benchmarks have been the subject of recent international, national and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented.

These reforms could affect the performance of the benchmarks, cause them to be withdrawn or have other unforeseeable consequences. All such consequences could have a negative impact on the Notes related to a benchmark index.

Regulation (EU) 2016/1011 dated 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**") was published in the Official Journal of the EU on 29 June 2016 and most of the provisions came into force on 1 January 2018. The Benchmark Index Regulation applies to the provision of benchmark indexes, the provision of data underlying a benchmark index and the use of a benchmark index within the EU. The Benchmark Index Regulation (i) require administrators of benchmark indexes to be approved or registered (or, if located outside the EU, to be recognised or receive an endorsement or equivalent), and (ii) prevents the use by entities supervised at European level of benchmark indexes provided by non-approved or unregistered administrators (or, if located outside the EU, those without recognition or not having received an endorsement).

The Benchmark Regulations, to the extent that it forms part of domestic law in the United Kingdom under the European Union (Withdrawal) Act 2018, applies to the provision of benchmark indexes, the provision of data underlying a benchmark index and the use of benchmarks in the United Kingdom.

The Benchmark Regulation could have a material impact on the Notes related to a rate or index considered to be a benchmark, notably if the methodology or other structural aspects of the benchmark are modified in order to comply with the requirements of the Benchmark Regulation. The potential effects of any such modifications include a reduction, increase or change in the published rate or the level of the benchmark index.

More generally, international or national reforms, enhanced regulatory monitoring of benchmark indices, or still yet, uncertainty about time frames and implementation methods covering such changes could increase the costs and risks of administering or otherwise participating in the setting of a benchmark, and of being subject to such regulations or requirements.

For certain benchmarks (such as LIBOR, EURIBOR or any other benchmark referred to in the relevant Final Terms), such factors could have the effect of (i) discouraging market participants from continuing to administer certain benchmarks or from contributing to such benchmarks, (ii) triggering changes in the rules or methodologies used for certain benchmarks, or (iii) leading to the discontinuation of the benchmarks. Investors should be informed that, if a benchmark were discontinued or otherwise unavailable, the interest rate applicable to Floating Rate Notes that refers to such a benchmark index will be determined for the relevant period by specific provisions applicable to such Notes (it being specified that if the relevant rate is discontinued or if an Administrator/Benchmark Event occurs, specific provisions will apply – see the Risk Factor below entitled “The discontinuation of the relevant rate or the occurrence of an Administration/Benchmark Event could have a material adverse impact on the value and yield of any Floating Rate Note that uses a benchmark”).

Investors must consult their own independent advisors and conduct their own evaluation of the potential risks arising from the Benchmark Regulation before making an investment decision relating to Floating Rate Notes that use a benchmark.

Regulation (EU) 2019/2089 of the European Parliament and of the Council dated 27 November 2019 amended the existing provisions of the Benchmark Regulation by extending the transitional regime for critical importance benchmarks and third-country benchmarks until the end of 2021.

The future discontinuation of LIBOR and other benchmark indices could have an adverse effect on the value of the Floating Rate Notes

On 27 July 2017, the Chief Executive of the UK Financial Conduct Authority ("**FCA**"), which regulates LIBOR, announced his intention to cease asking or requiring banks to submit rates for calculating LIBOR from 2021 (the "**FCA Announcement**"). The FCA Announcement states that the continuation of LIBOR on the current basis cannot be guaranteed after 2021. The potential withdrawal of LIBOR as a benchmark, the implementation of alternative benchmark rates or changes in the manner benchmarks are administered could necessitate that adjustments be made to the Terms and Conditions of the Notes and lead to other consequences, such as a decrease in interest paid or a temporal decorrelation in relation to the interest that would have been paid in respect of such financial instruments if LIBOR had remained available as a benchmark index in its current form.

However, the proposed legislative changes to the Benchmark Regulation in the UK will provide the FCA with additional options to manage the phasing out of LIBOR (or other indices) during a pre-petition period when the relevant index is no longer representative. The proposed legislative changes will provide the FCA with powers to continue to publish LIBOR using a different methodology and different data to reduce the disruption resulting from the phasing out of LIBOR for contracts that have no or inappropriate alternatives to LIBOR and that are not capable of being renegotiated or amended.

Other interbank rates, such as EURIBOR (European Interbank Offered Rate) (and, together with LIBOR, the “IBORs”) have weaknesses similar to those of LIBOR and could consequently be discontinued or be subject to changes in the way they are administered. In fact, the European Money Markets Institute (the “EMMI”), which administers EURIBOR, announced that EURIBOR does not comply with the requirements of the Benchmark Regulation, which would make it unusable in contracts entered into commencing 1 January 2020. A new EURIBOR methodology is currently being developed.

Changes in the way an IBOR is administered or the emergence of alternatives to an IBOR may, in respect of such IBOR, result in performance that differs from past performance and could have other consequences that cannot be anticipated. The discontinuation of an IBOR or changes in the way an IBOR is administered could require changes in the way the Interest Rate is calculated in respect of any Notes that are indexed to or refer to such an IBOR. The development of alternatives to an IBOR could lead to performance of Notes that are indexed to or that refer to such an IBOR that differ from the performance that would have been achieved if no alternatives to such an IBOR had been developed. Any such consequences could have a material adverse impact on the value and yield of Floating Rate Notes that refer to such IBOR.

In order to limit the consequences of the potential unavailability of these benchmarks, working groups formed under the supervision of their respective central banks have worked to define alternative risk-free short-term rates that are principally based on transaction data and, therefore, less liable to criticism as regards their calculation methodologies. However, these new risk-free short-term rates are still in the early stages of their development and there can be no assurances that they will be widely adopted by market players.

The Sterling Overnight Index Average (SONIA) was developed under the supervision of the Bank of England with a view to replacing GBP LIBOR. Today, the market continues to prepare for the adoption of SONIA. Investors must be aware that the market could apply SONIA in a manner that significantly differs from what is stipulated in the Terms and Conditions of the Notes as regards Floating Rate Notes that use SONIA as a benchmark. The interest rate applicable to the Floating Rate notes that refer to LIBOR can only be determined at the end of the relevant observation period and immediately before the relevant Coupon Payment Date and it could be complex for investors to assess in advance the amount of interest due for such Floating Rate Notes.

Whilst alternatives to certain IBORs intended for use on the bond market (including SONIA (for the GBP LIBOR) and rates that may derived from SONIA) are currently being prepared, in the absence of legislative measures, the gradual phaseout of this IBOR for notes indexed to or referring to an effective IBOR must be carried out in accordance with their own terms.

There can be no assurances that the adoption of alternative short-term rates will not be decided upon or fundamentally altered in a way that is materially adverse to the interests of investors in Floating Rate Notes.

The discontinuation of the relevant rate or the occurrence of an Administration/Benchmark Event could have a material adverse impact on the value and yield of any Floating Rate Note that uses a benchmark

If the Benchmark Rate is discontinued or an Administrator/Benchmark Event (as defined in Article 6(c)(iii)(D)) occurs, (a) the Interest Rate of the affected Notes will be modified in a way that may have adverse consequences on holders of such Notes, without the consent of such holders being required at any time, and (b) the Issuer will be required to designate a Benchmark Rate Determination Agent (which may be (i) a leading bank or a broker in the Relevant Financial Centre or the Principal Financial Centre (as the case may be) of the Specified Currency, (ii) an independent financial advisor, and/or (iii) the Calculation Agent) which will determine the Replacement Benchmark Rate in good faith and in a commercially reasonable manner, as well as all concomitant changes of the Business Day Convention, the definition of Business Day, the Floating Rate Determination Date, the Day Count Fraction, the Adjustment Spread, and any method allowing a Replacement Benchmark Rate to be obtained, including any modification or adjustment that is necessary to make the Replacement Benchmark Rate comparable to the Original Benchmark Rate. This Replacement Benchmark Rate and any other modification shall be (absent manifest error) definitive and mandatory as regards the Noteholders, the Issuer, the Calculation Agent, the

Financial Agent and any other person, and each Noteholder shall be deemed to have accepted the Replacement Benchmark Rate and any other related modification or adjustment, which shall as from such time apply to the Notes.

The Replacement Benchmark Rate may have no or little historical data. Consequently, its overall evolution and/or interaction with other market forces or elements may be difficult to determine or measure. Moreover, given the uncertainties surrounding the availability of replacement rates and the involvement of an Benchmark Rate Determination Agent, the specific provisions that are applicable if the benchmark index is unavailable or disappears may not function as expected when implemented and the Benchmark Replacement Rate could perform differently than the discontinued benchmark index.

There is no assurance that any modification or adjustment affecting a Tranche of Notes will appropriately compensate for such impact. Such an adjustment could have unexpected commercial consequences and there can be no assurances that, in light of each Noteholder's specific situation, such an adjustment will be favourable to each Noteholder. This could in turn impact the Interest Rate or the value of the market for the Notes. Moreover, any holder of Notes which has subscribed for hedging instruments based on the Interest Rate could see the hedge become ineffective and could have to bear additional costs in connection with unwinding the hedge and replacing it with instruments tied to the Replacement Benchmark Rate.

If the Benchmark Rate Determination Agent is unable to determine a Replacement Benchmark Rate for a Benchmark Rate by the next Floating Rate Determination Date at the latest, then the provisions allowing for the determination of the Interest Rate of the affected Notes will not be modified. In such a case, the Terms and Conditions of the Notes provide that the Interest Rate for such Notes will be the Interest Rate determined on the preceding Floating Rate Determination Date, as determined by the Calculation Agent. In such a situation, and in a rising interest rate environment, holders of Notes would therefore not benefit from an increase in interest rates. As such, the value of the Notes could be adversely affected.

In addition, the foregoing or any other change in the determination or existence of an applicable rate could affect the Issuer's ability to satisfy its obligations under the Floating Rate Notes or could have a material adverse impact on the value or the liquidity of the Floating Rate Notes or the amount payable thereunder. Investors must keep in mind that the Benchmark Rate Determination Agent will have all latitude necessary to adjust the Successor Benchmark Rate or the Alternative Benchmark Rate (depending on the situation) under the circumstances described above. Any adjustment of this kind could have unexpected commercial consequences and there are no assurances that such an adjustment will be favourable to each Noteholder in light of the specific circumstances of each Noteholder.

Investors must consider all elements when they make their investment decision with respect to the Floating Rate Notes in question.

Risks relating to social bond issues

The net proceeds of each issue of Notes will be allocated by the Issuer to the financing or refinancing, in whole or in part, of eligible social expenditures as specified in the relevant Final Terms in accordance with the social bond framework governing the issuance of Unédic's social bonds (as modified from time to time) (the "**Social Bond Framework**") published in a dedicated section of the Issuer's website in accordance with the Social Bond Principles published by the International Capital Markets Association ("**ICMA**"). In addition to eligibility criteria, the above-mentioned Social Bond Framework describes the proceeds management arrangements, reporting and external review arrangements (notably the issuance of a Second Party Opinion and external verification) applicable to the Issuer's social bond issuances. More information, notably on the use of the net proceeds from the issuance, will be provided in the relevant Final Terms.

Potential investors must take into account the information set out in the relevant Final Terms as regards the use of the proceeds of each issuance of Notes and must determine themselves whether the information is relevant to an investment in the Notes and whether it is necessary to conduct any investigation they deem necessary. Neither the Issuer nor the Dealers warrant that the use of the proceeds to finance one or more eligible projects will respond, in whole or in part, to the expectations or current or future requirements of investors resulting from investment criteria or directives with which such investors are required to comply, whether under current or future applicable law or regulations, any other applicable rule or any portfolio management mandate. Neither the Issuer nor the Dealers warrant that the project(s) in question will have the expected social impact, whether directly or indirectly. In addition, it should be noted that there currently is no definition (legal, regulatory or otherwise) of, nor market

consensus with respect to what constitutes a “social” project or any other project carrying an equivalent label. Finally, the requirements under such a label may change and, consequently, investors may not be guaranteed that a project or the use or the various uses made of such a project or that relate to such project will respond to their expectations regarding “social” objectives or any other objective bearing an equivalent label.

No undertaking or representation is given with respect to the relevance or the reliability, for any purpose whatsoever, of an expert opinion, a second party opinion or an extra-financial rating of the Notes (whether solicited by the Issuer or otherwise) which may be delivered in the framework of an issuance of the Notes to satisfy social or other objectives. As of the date hereof, the authors of such opinions, certificates and ratings are not subject to any regulatory regime or other type or regime or any particular supervision. Such opinions, certificates or ratings do not constitute, and must not be considered as being, a recommendation by the Issuer or any other person to subscribe for, purchase, sell or hold the Notes.

Although the Issuer intends to allocate the proceeds from each issuance of Notes to one or more determined projects as described in the relevant Final Terms, nothing guarantees that the relevant project or the use or uses of such proceeds or that relate to such proceeds may actually be carried out in such way and/or according to a defined timeline, and that, consequently, such proceeds will be totally or partially disbursed for such project. In addition, nothing guarantees that such project will be completed or realised within a given period or that it will be completed or realised in accordance with the results originally expected or anticipated by the Issuer. Such an event or default by the Issuer will not constitute an Early Redemption Event.

Such an event or failure to allocate the proceeds from an issuance of Notes to an above-mentioned project, the withdrawal of an opinion, certificate or rating, or the delivery of any opinion or certificate by which it is determined that the Issuer does not comply with the subject matter of such opinion or certificate could have a material adverse effect on the value and marketability of the Notes or lead to unfavourable consequences for certain portfolio managers which have received an order to invest in securities that have a specific purpose. For all practical purposes, however, it is specified that payments of principal and interest due under the Notes must not depend on the effectiveness of the relevant project.

No Dealer warrants that the Notes meet any social or sustainability criteria required by potential investors or contemplated by the Social Bond Principles or the guidelines that apply to social bonds published by the ICMA. The Dealers have neither the mission nor the responsibility of evaluating the eligibility criteria, verifying that the Notes comply with the ICMA’s eligibility criteria, principles or guidelines or monitoring the use made of the proceeds of the issuance. In this regard, investors are invited to consult the Issuer’s website or to consult their own advisor.

GENERAL DESCRIPTION OF THE PROGRAMME

The terms and expressions defined in the section entitled "Terms and Conditions of the Notes" below shall have the same meaning in this general description.

Unless stated otherwise, the Notes shall be issued in accordance with the Terms and Conditions of the Notes set out on pages 30 to 48, as supplemented by the relevant Final Terms agreed by the Issuer and the Dealer(s) concerned. The following section must be read subject to the other information contained in this Information Memorandum.

Issuer:	Unédic
Guarantee:	If the relevant Final Terms state that the Notes benefit from a guarantee provided by the French State, all payments in principle and interest due from the Issuer vis-à-vis the Guaranteed Notes shall benefit from a guarantee provided by the French State under the terms set out in the section entitled "Description of the Guarantee" and in the relevant Final Terms.
Programme:	Euro Medium Term Note Programme. The Notes constitute <i>obligations</i> (bonds) within the meaning of French law.
Dealers:	The programme does not lead to any permanent appointment of dealers. The Issuer reserves the right to nominate dealers on an ad hoc basis for one or more Tranches. All references in this Information Memorandum to " Dealers " shall mean any person designated as a dealer for one or more Series or Tranches.
Fiscal Agent and Principal Paying Agent:	BNP Paribas Securities Services. Euroclear France Participant Code: 29106
Maximum Amount of the Programme:	The aggregate nominal amount of Notes outstanding at any given time shall not exceed 60,000,000,000 euros (or the equivalent amount in another currency, calculated as of the issue date).
Method of issue:	The Notes may be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a " Series "), where each Series shall be composed of one or more tranches (each a " Tranche ") issued at different issue dates. The Notes of each Series are interchangeable with all other notes of that Series, the specific terms of each Tranche issued from one Series being identical to the terms of the other Tranches of such Series (other than in respect of the issue date, issue price and nominal amount of the tranche). The specific terms of each Tranche will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Final Terms supplementing this Information Memorandum.
Form of the Notes:	The Notes will be issued in dematerialised form and may, at the option of the Issuer, be issued in bearer form (<i>au porteur</i>) or in registered form (<i>au nominatif</i>), and in such latter case, at the option of the relevant Noteholder, either in fully registered form (<i>au nominatif pur</i>) or in administered registered form (<i>au nominatif administré</i>). No physical document evidencing title to the Notes will be issued in respect of the Notes.
Issue price:	The Notes may be issued at par, below par or with an initial premium, as specified in the relevant Final Terms.

Maturities:	Subject to compliance with all relevant laws, regulations and directives, Notes shall have a maturity of at least one (1) month (inclusive) from the date of original issue, as provided for in the relevant Final Terms. The maximum maturity of the Notes is fifteen (15) years.
Currencies:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in euros, US dollars, Japanese yen, Swiss francs, pounds sterling or in any other currency agreed between the Issuer and the relevant Dealer(s).
Nominal value:	The Notes shall have the nominal value specified in the relevant Final Terms, it being understood that there may only be one nominal value per Series. Notes admitted to trading on a Regulated Market shall have a unit nominal value of at least 100,000 euros (or the equivalent value in other currencies) or of any higher amount that may be authorised or required by the relevant monetary authority or by any law or regulation applicable to the Specified Currency.
Rank of the Notes:	Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank <i>pari passu</i> and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured debts and guarantees of the Issuer.
Negative pledge:	The Terms and Conditions of the Notes include a negative pledge, as more fully described in Condition 4 of the Terms and Conditions of the Notes, "Negative Pledge".
Events of default:	The Terms and Conditions of the Notes include events of default, as more fully described in Condition 10 of the Terms and Conditions of the Notes, "Events of Default".
Redemption amount:	Subject to any applicable laws, regulations and directives, the relevant Final Terms will specify the basis for calculating the redemption amounts payable.
Optional redemption:	The relevant Final Terms will state whether the Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and, if so, the terms applicable to such redemption.
Early redemption:	Except as provided for in the paragraph entitled "Optional Redemption" above, Notes will only be redeemable at the option of the Issuer prior to their stated maturity in instances provided for in Condition 7 of the Terms and Conditions of the Notes, "Redemption, purchase and options".
Interest Periods and Interest Rates:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. The Notes may have a maximum interest rate, a minimum interest rate (as defined in the relevant Final Terms, as the case may be) or both. The use of Interest Accrual Periods permits the Notes to bear interest at different rates in the same interest period (see section 6 "Calculation of interest and other calculations" in the Terms and Conditions of the Notes). All such information will be set out in the relevant Final Terms.
Fixed Rate Notes:	Interest on Fixed Rate Notes will be payable in arrears on the date or dates specified in the relevant Final Terms.
Floating Rate Notes:	Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) On the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency, in accordance with the *Convention Cadre FBF* of 2013 as published by the Fédération Bancaire Française; or
- (ii) On the same basis as the floating rate applicable to 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.; or
- (iii) On the basis of a reference rate appearing on an agreed screen page of a commercial quotation service (including, but not limited to, EURIBOR, €STR, EONIA, LIBOR, SONIA).

In each case, plus or minus any applicable margin, where calculations and interest periods shall be defined in the relevant Final Terms.

Redenomination: Notes issued in any currency of any Member State of the European Union participating in the third stage of the Economic and Monetary Union may be redenominated into euros, as more fully provided for in Condition 1(d).

Consolidation: Notes of one Series may be consolidated with Notes of another Series as more fully provided for in Condition 1(e).

Withholding tax: All payments of principal or interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. If under French legislation payments in principal or interest relating to any Note must be subject to any existing or future charge or withholding, as permitted under the law and save in certain limited circumstances, the Issuer undertakes to increase its payments such that Noteholders receive all of the amounts that would have been paid to them in the absence of any such charge or withholding.

Governing law: The Terms and Conditions of the Notes and the Guarantee shall be governed by French law.

Clearing systems: Euroclear France, acting as central depository, and/or any other clearing system that may be agreed upon by the Issuer, the Fiscal Agent and the relevant Dealer.

Initial delivery of Notes: The *lettre compta* relating to each Tranche of Notes shall be deposited with Euroclear France in its capacity as central depository at least one (1) Paris business day before the issue date of the said Tranche.

Admission to trading: On Euronext Paris and/or any other regulated market or on any non-regulated market as specified in the relevant Final Terms. The relevant Final Terms may specify that a Series of Notes will not be admitted to trading on any market.

Rating: The Issuer has been rated **Aa2** (stable outlook) by Moody's Investors Service Limited since 25 February 2020 and **AA** (negative outlook) by Fitch France SAS since 22 May 2020.

Moody's Investors Service Limited and Fitch France SAS are established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009, as modified.

The relevant Final Terms will specify (i) the rating of the Notes, if any (which will not necessarily be the same as the one assigned to the Issuer), and (ii), as

applicable, whether or not such rating is issued by a rating agency established in the European Union and registered under the CRA Regulation or established in the United Kingdom in accordance with CRA Regulation as it forms part of domestic law by virtue of the UK CRA Regulation.

A rating does not constitute a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal at any time by the relevant rating agency.

Selling restrictions:

There are restrictions on the offer, sale or transfer of Notes and on the distribution of offering material in various jurisdictions, as more fully described in "Subscription and Sale". Regarding the offering and sale of a specific Tranche, additional selling restrictions may be specified in an update to this Information Memorandum.

DOCUMENTS INCORPORATED BY REFERENCE

This Information Memorandum shall be read and construed in conjunction with the following documents, and which are incorporated by reference in, and shall be deemed to form part of, this Information Memorandum:

- (i) the 2018 and 2019 financial statements of the Issuer, in the French language, for the years ended 31 December 2018 and 2019 ;
- (ii) the Terms and Conditions of the Notes included in the base prospectus dated 20 March 2013 having been granted the visa No 13-083 on such date by the AMF, the Terms and Conditions of the Notes included in the base prospectus dated 5 February 2014, having been granted the visa No 14-035 on such date by the AMF and the Terms and Conditions of the Notes included in the base prospectus dated 6 February 2015, having been granted the visa no. 15-046 on such date by the AMF, the Terms and Conditions of the Notes included in the base prospectus dated 24 February 2016 and granted visa no. 16-058 on such date by the AMF, the Terms and Conditions of the Notes included in the base prospectus dated 17 March 2017 granted visa no. 17-100 by the AMF on such date, the Terms and Conditions of the Notes included in the base prospectus dated 16 May 2018 granted visa no. 18-179 by the AMF on such date, and the Terms and Conditions of the Notes included in the base prospectus dated 16 May 2019 granted visa no. 19-206 by the AMF on such date ;
- (iii) the memorandum from the Issuer's Executive Committee regarding continuity and control over the steering of the unemployment insurance system (points of reference on the Covid-19 measures and their effects) dated 26 March 2020;
- (iv) the memorandum from the Issuer's Executive Committee on the monitoring of the effects of Covid-19 on the unemployment insurance system (first effects observed and estimates for the upcoming months) dated 28 April 2020 ;
- (v) the memorandum from the Issuer's Executive Committee on the financial situation of the unemployment insurance system presenting the 2020 forecasts, and the consequences of the Covid-19 crisis as of 18 June 2020; and
- (vi) the memorandum from the Issuer's Executive Committee on the financial situation of the unemployment insurance system for 2020-2021 dated 21 October 2020.

In case of discrepancy between any statement included in the present Information Memorandum and any statement included in any document incorporated by reference, the statements of the present Information Memorandum shall prevail.

Copies of the documents incorporated by reference are available without charge (i) on the website of *la Direction de l'information légale et administrative* (www.info-financiere.fr), (ii) the website of the Issuer (www.unedic.org) and (iii) upon request at the registered office of the Fiscal Agent or Paying Agent during normal business hours so long as Notes are outstanding, as described in section "General Information" below.

A free English translation of the financial statements, for information purposes only, is available on the Issuer's website (www.unedic.org).

Information incorporated by reference in this Information Memorandum shall be read in connection with the cross reference list below.

Cross-reference list

Information incorporated by reference	<i>Reference</i>	
	<i>2018 Financial report</i>	<i>2019 Financial report</i>
<p>Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses</p> <p><u>Historical Financial Information</u> <u>Financial Statements</u></p>		

- Consolidated Balance Sheet	Pages 12-13	Pages 12-13
- Consolidated Profit and loss account	Page 14	Page 14
- Notes	Pages 15-46	Pages 15-47
<u>Auditing of historical annual financial information</u>		
Statutory auditors' report	Pages 47-54	Pages 48-54

Information incorporated by reference	Reference
Terms and Conditions of the Notes included in the base prospectus dated 20 March 2013 having been granted the visa No 13-083 on such date by the AMF	Pages 19 to 35 of the base prospectus dated 20 March 2013 having been granted the visa No 13-083 on such date by the AMF
Terms and Conditions of the Notes included in the base prospectus dated 5 February 2014, having been granted the visa No 14-035 on such date by the AMF	Page 18 to 33 of the base prospectus dated 5 February 2014, having been granted the visa No 14-035 on such date by the AMF
Terms and Conditions of the Notes included in the base prospectus dated 6 February 2015, having been granted the visa No 15-046 on such date by the AMF	Page 18 to 33 of the base prospectus dated 6 February 2015, having been granted the visa No 15-046 on such date by the AMF
Terms and Conditions of the Notes included in the base prospectus dated 24 February 2016 and granted visa no. 16-058 on this date by the AMF.	Page 20 to 35 of the base prospectus dated 24 February 2016 and granted visa no. 16-058 on this date by the AMF.
Terms and Conditions of the Notes included in the base prospectus dated 17 March 2017 and granted visa no. 17-100 on this date by the AMF.	Page 21 to 36 of the base prospectus dated 17 March 2017 and granted visa no. 17-100 on this date by the AMF.
Terms and Conditions of the Notes included in the base prospectus dated 16 May 2018 and granted visa no. 18-179 on this date by the AMF.	Pages 24-39 of the base prospectus dated 16 May 2018 and granted visa no. 18-179 on this date by the AMF
Terms and Conditions of the Notes included in the base prospectus dated 16 May 2019 and granted visa no. 19-206 on this date by the AMF.	Pages 24-40 of the base prospectus dated 16 May 2019 and granted visa no. 19-206 on this date by the AMF

UPDATE OF THE INFORMATION MEMORANDUM

In connection with Notes admitted to trading on a regulated market, any significant new factor or any mistake or inaccuracy relating to information included in this Information Memorandum, which could have a significant influence on the assessment of the Notes and occurs or is observed after the date of this Information Memorandum and before the beginning of the trading of the Notes on such regulated market will be the subject of an update to the Information Memorandum.

Any update of this Information Memorandum will be published on the Issuer's website (www.unedic.org) and will be available for review, without charge, during normal business hours any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Fiscal Agent or Paying Agent, where copies may be obtained.

TERMS AND CONDITIONS OF THE NOTES

*The following sets forth the basic terms and conditions of the Notes that, subject to later completion or amendment and as supplemented by the provisions of the relevant Final Terms, shall be applicable to the Notes (the "**Terms and Conditions**"). All capitalised terms that are not defined in these Terms and Conditions will have the meanings given to them in the relevant Final Terms of a given Tranche. References below to "**Conditions**" are, unless the context requires otherwise, to the numbered paragraphs below. References in the Terms and Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Programme. References to "**Guaranteed Notes**" in the Terms and Conditions refer to the Notes benefiting from the guarantee of the French State.*

The Notes are issued by Unédic (the "**Issuer**" or "**Unédic**") in series (each a "**Series**"), each Series including one or more tranches (each a "**Tranche**") with different issue dates. The specific terms of each Tranche (including the aggregate nominal amount, issue price, redemption price, and interest payable) will be determined by the Issuer and the relevant Dealer(s) and will be specified in the final terms of such Tranche (the "**Final Terms**").

The Notes are issued with the benefit of an agency agreement dated 15 June 2020 (as amended, the "**Agency Agreement**") and entered into between the Issuer and BNP Paribas Securities Services as fiscal agent and principal paying agent. The fiscal agent, the paying agent and the calculation agent (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agent**" (which expression shall include the Fiscal Agent) and the "**Calculation Agent**".

For the purposes of these Terms and Conditions, "**Regulated Market**" means any regulated market located in a member state of the European Economic Area ("**EEA**"), as defined in the Directive 2014/65 as amended ("**MiFID II**").

1. Form, denomination, title, redenomination and consolidation

(a) Form

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

Notes will be issued, at the option of the Issuer, as described in the relevant Final Terms, in either bearer form (*au porteur*), which will be inscribed in the books of Euroclear France ("**Euroclear France**") (acting as central depository) which shall credit the accounts of the Account Holders, or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder in either administered registered form (*au nominatif administré*), inscribed in the books of an Account Holder designated by the relevant Noteholder, or in fully registered form (*au nominatif pur*) inscribed in an account maintained by the Issuer or a registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the "**Registration Agent**").

For the purpose of these Terms and Conditions, "**Account Holder**" means any intermediary institution entitled to hold securities accounts, directly or indirectly, with Euroclear France, and includes Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**").

The Notes may be "Fixed Rate Notes" or "Floating Rate Notes" as specified in the relevant Final Terms.

(b) Denomination

Notes from a Series shall be issued in the denomination specified in the relevant Final Terms (the "**Denomination**"), it being understood that there can only be one Denomination per Series. Notes admitted to trading on a Regulated Market shall have a minimum denomination of at least €100,000 (or its equivalent

in any other currency), or such higher amount as may be allowed or required by any relevant competent authority or any applicable laws or regulations applicable to the Specified Currency.

(c) Title

Title to the Notes in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon registration of the transfer of the Notes in the accounts of the Account Holders. Title to Notes in fully registered form (*au nominatif pur*) shall only pass upon registration of the transfer of the Notes in the accounts maintained by the Issuer or by the Registration Agent.

Except as ordered by a judicial or administrative court decision or as required by applicable laws or regulations, the Noteholder (as defined below), shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or any interest in it, and no person shall be liable for so treating the Noteholder.

In these Terms and Conditions, "**Noteholder**" means the individual or entity whose name appears in the account of the relevant Account Holder, the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes.

(d) Redenomination

The Issuer may (if so specified in the relevant Final Terms), on any date, without the consent of the holder of any Note by giving at least thirty (30) calendar days' notice in accordance with Condition 14 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the "**EC**"), as amended from time to time (the "**Treaty**")) or events have occurred which have substantially the same effects (in either case, "**EMU**"), redenominate all (but not some only) of the Notes of any Series into Euros and convert the aggregate nominal amount and the Denomination set out in the relevant Final Terms accordingly as more fully described in the relevant Final Terms.

(e) Consolidation

Unless otherwise provided in the relevant Final Terms, the Issuer, with the prior approval of the Fiscal Agent (which shall not be unreasonably withheld), may from time to time on any Interest Payment Date occurring on or after the redenomination date on giving not less than thirty (30) calendar days' prior notice to the Noteholders in accordance with Condition 14, without the consent of the Noteholders or Couponholders, consolidate the Notes of one Series denominated in Euro with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

2. Conversions and exchanges of Notes

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

Similarly, Notes issued in registered form (*au nominatif*) may not be converted for Notes in bearer form (*au porteur*).

Notes issued in fully registered form (*au nominatif pur*) may, at the option of the relevant Noteholder, be converted into Notes in administered registered form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such Noteholder shall be made in accordance with Article R.211-4 of the French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such Noteholder.

3. Status

The Notes constitute direct, unconditional, unsubordinated and (subject to Condition 4 below) unsecured obligations of the Issuer and rank and will rank *pari passu* without any preference among themselves and (subject

to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated debt of the Issuer.

4. Negative pledge

The Issuer represents, until all the Notes have been redeemed, that he will not grant or permit to subsist any security interest (*sûreté réelle*) (which includes any mortgage, pledge, charge, lien or other interest) upon all or part of its assets and revenues, present or future, to secure indebtedness of, or guaranteed by, the Issuer, and represented by bonds, commercial paper, other securities or other financial instruments within the meaning of Article L.211-1 of the French *Code monétaire et financier*, whether listed or not, unless the Notes are equally and rateably secured therewith.

5. Guarantee

Under Article 201 of the 2021 budget law (law no. 2020-1721, dated 29 December 2020), the borrowing subscribed by the Issuer in 2021 may benefit from the guarantee of the French State in principal and interest, up to a maximum overall amount of € 13 billion in principal.

The Final Terms prepared in respect of any issue of Notes will specify whether or not the Notes will benefit from the guarantee of the French State (the "**Guarantee**"), pursuant to an Order ("*Arrêté*") of the Minister for the Economy, Finance and Recovery, adopted pursuant to Article 201 of the above-mentioned law, under the terms described in "Description of the Guarantee" and in the relevant Final Terms.

The State's Guarantee was therefore granted to bonds of the Issuer issued in 2021 in the amount of 8 billion euros, pursuant to an order issued by the Minister of the Economy, Finance and Recovery dated 13 January 2021, being specified that a new tranche (within the limit of €5 billion) shall be granted by order of the Minister of the Economy, Finance and Recovery for any issue exceeding the cap fixed by the order dated 13 January 2021.

The commitments of the French State under the Guarantee will rank *pari passu* with present, future, direct, unconditional, unsubordinated and unsecured obligations of the French State.

Pursuant to Article 1 of law no. 68-1250 dated 31 December 1968 on prescription periods including those relating to claims on the French State, any demand for payment by the French State, and therefore including demands for payments pursuant to the Guarantee, is extinguished following a period of four (4) years as from the 1st of January in the year following the date on which the guaranteed amounts become due. Under French law at the date of this Information Memorandum, the French State's assets cannot be subject to execution or other enforcement proceedings of private law in France.

6. Calculation of interest and other calculations

(a) Definitions

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

"**Benchmark**" means the reference rate as set out in the relevant Final Terms.

"**Business Day**" means:

- (i) in the case of Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer or any successor thereto (TARGET 2) (the "**TARGET System**") is operating (a "**TARGET Business Day**"),
- (ii) in the case of a Specified Currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency,
- (iii) in the case of a Specified Currency and/or one (1) or more additional business centre(s) specified in the relevant Final Terms (the "**Business Centre(s)**"), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the

Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

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

- (i) if "**Actual/365**", "**Actual/365-FBF**" or "**Actual/Actual-ISDA**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "**Actual/Actual-ICMA**" is specified in the relevant Final Terms:
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any calendar year; and
 - (B) if the Calculation Period is longer than the Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any calendar year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any calendar year,

in each case where

"**Determination Period**" means the period from and including a Determination Date in any calendar year to but excluding the next Determination Date, and

"**Determination Date**" means the date specified in the relevant Final Terms or, if none is so specified, the Interest Payment Date;

- (iii) if "**Actual/Actual-FBF**" is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period). If the Calculation Period is of a duration of more than one (1) year, the basis shall be calculated as follows:
 - (x) the number of complete years shall be counted back from the last day of the Calculation Period;
 - (y) this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition;
- (iv) if "**Actual/365 (Fixed)**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (v) if "**Actual/360**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve (12) 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February,

in which case the month of February shall not be considered to be lengthened to a 30-day month));

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

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

the fraction is:

If $dd2 = 31$ and $dd1 \neq (30,31)$

then:

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + (dd2 - dd1)]$$

or

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)];$$

where:

D1 (dd1, mm1, yy1) is the date of the beginning of the period

D2 (dd2, mm2, yy2) is the date of the end of the period

- (viii) if "**30E/360**" or "**Eurobond Basis**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve (12) 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

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

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

using the same abbreviations as for 30/360-FBF, the fraction is:

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)].$$

"**Effective Date**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first (1st) day of the Interest Accrual Period to which such Interest Determination Date relates.

"**Euro-zone**" means the region comprised of member states of the European Union that have adopted the single currency in accordance with the Treaty.

"FBF Definitions" means the definitions set out in the 2007 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules (*Additifs Techniques*) as published by the *Fédération Bancaire Française* (together the **"FBF Master Agreement"**), unless otherwise specified in the relevant Final Terms.

"Interest Accrual Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"Interest Amount" means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be.

"Interest Commencement Date" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two (2) TARGET Business Days prior to the first (1st) day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first (1st) day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two (2) Business Days in the city specified in the relevant Final Terms for the Specified Currency prior to the first (1st) day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

"Interest Payment Date" means the date(s) specified in the relevant Final Terms.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"Interest Period Date" means each Interest Payment Date unless otherwise specified in the relevant Final Terms.

"ISDA Definitions" means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (formerly known as International Swap Dealers Association), unless otherwise specified in the relevant Final Terms.

"Issue Date" means for each relevant Tranche the closing date of the Notes for such Tranche.

"Page" means such page, section, caption, column or other part of a particular information service (including, but not limited to, Thomson Reuters ("**Reuters**")) as may be specified for the purpose of providing a Relevant Rate, 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 Relevant Rate, as disclosed in the relevant Final Terms.

"Rate of Interest" means the rate of interest payable in respect of the Notes of a similar Series and that is specified in the relevant Final Terms or calculated in accordance with its provisions.

"Reference Banks" means the institutions specified as such in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR, EONIA or €STRE is the relevant Benchmark, shall be the Euro Zone and, if LIBOR is the relevant Benchmark, shall be London).

"Relevant Date" means, in respect of any Note, the date on which payment in respect of it first became due or (if any amount due is unduly unpaid or its payment is unduly delayed) the date on which payment in full of the amount outstanding is made.

"Relevant Financial Centre" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, EONIA or €STR, shall be the Euro Zone and, in the case of LIBOR, shall be London) or, if none is so connected, Paris.

"Relevant Rate" means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

"Relevant Time" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose **"local time"** means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11:00 a.m. (Brussels time).

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

"Specified Currency" means the currency specified as such in the relevant Final Terms.

"Specified Duration" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 6(c)(ii).

(b) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest calculated on its outstanding nominal amount from the Interest Commencement Date at the rate *per annum* (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date, except as otherwise provided in the relevant Final Terms.

If a fixed amount of interest ("**Fixed Coupon Amount**") or a broken amount of interest ("**Broken Amount**") is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

(c) Interest on Floating Rate Notes

(i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears (except if otherwise provided in the Final Terms) on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Specified Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Business Day Convention: If a date referred to in these Terms and Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (B) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date

shall be brought forward to the immediately preceding Business Day or (C) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day. Notwithstanding the foregoing, where the applicable Final Terms specify that the relevant Business Day Convention is to be applied on an "unadjusted" basis, the Interest Amount payable on any date shall not be affected by the application of that Business Day Convention.

- (ii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in (i) the relevant Final Terms and/or (ii) the provisions hereafter relating to either FBF Determination, ISDA Determination or Screen Rate Determination, depending upon which is specified in the relevant Final Terms.

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), "**FBF Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Agent under a notional interest rate swap transaction (*Echange*) in the relevant Specified Currency incorporating the FBF Definitions and under which:

- (a) the Floating Rate is as specified in the relevant Final Terms and
- (b) the Floating Rate Determination Date is as specified in the relevant Final Terms

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Agent**" and "**Floating Rate Determination Date**" are translations of the French terms "*Taux Variable*", "*Agent*" and "*Date de Détermination du Taux Variable*", respectively, which have the meanings given to those terms in the FBF Definitions.

(B) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (B), ISDA Rate for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the relevant Final Terms,
- (b) the Designated Maturity is a period specified in the relevant Final Terms, and
- (c) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (B), **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity**, **Reset Date** and **Swap Transaction** have the meanings given to those terms in the ISDA Definitions.

(C) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (a) if the Primary Source for Floating Rate is a Page, subject as provided hereafter, the Rate of Interest shall be:

- (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
- (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date as disclosed in the relevant Final Terms, plus or minus (as indicated in the relevant Final Terms) the Margin (if any);

- (b) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two (2) Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided hereafter, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent, plus or minus (as indicated in the relevant Final Terms) the Margin (if any); and
- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided hereafter, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is Euro, in the Euro-zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(D) Events affecting the determination of the benchmark index

Notwithstanding the provisions of paragraph (b) above, if at any time prior to or on any Relevant Floating Rate Determination Date the Issuer, after consulting the Calculation Agent, determines in good faith and in a commercially reasonable manner, that the Benchmark Rate for such Notes has been discontinued or that an Administrator/Benchmark Event has occurred:

- (a) as soon as reasonably practicable, the Issuer shall designate an agent (the "**Benchmark Rate Determination Agent**") which shall determine in good faith and in a commercially reasonable manner, whether, for the purposes of determining the Benchmark Rate on each subsequent Relevant Floating Rate Determination Date, a Successor Benchmark Rate or, failing which, an Alternative Benchmark Rate if available. If the Benchmark Rate Determination Agent determines that a Successor Benchmark Rate or Alternative Benchmark Rate exists, the Benchmark Rate Determination Agent shall use such Replacement Benchmark Rate. The Benchmark Rate Determination Agent may be (i) a leading bank or a broker in the Relevant Financial Centre or the Principal Financial Centre (as the case may be) of the Specified Currency, (ii) an independent financial advisor, and/or (iii) the Calculation Agent;
- (b) if the Benchmark Rate Determination Agent has determined a Replacement Benchmark Rate in accordance with the foregoing, the Benchmark Rate Determination Agent shall also determine the concomitant modifications (as applicable) to the Business Day Convention,

the definition of Business Day, the Relevant Floating Rate Determination Date, the Day Count Fraction, the Adjustment Spread, and any method allowing a Replacement Benchmark Rate to be obtained, as well as any modification or adjustment that is necessary to make the Replacement Benchmark Rate comparable to the Benchmark Rate, in each case in a manner that is consistent with the guidance established by the associations involved in setting market standards and/or protocols for the international financial and/or debt capital markets that the Benchmark Rate Determination Agent deems relevant for the Replacement Benchmark Rate;

- (c) references to the “Benchmark Rate” in these Terms and Conditions shall as of then be considered as being references to the Replacement Benchmark Rate, including any modification and any concomitant adjustment determined in accordance with paragraph (b) above. The determination of the Replacement Benchmark Rate and any concomitant adjustments and modifications by the Benchmark Rate Determination Agent shall be (absent manifest error) definitive and mandatory as regards the Issuer, the Calculation Agent, the Fiscal Agent, the Noteholders and any other person, and each Noteholder shall be deemed to have accepted the Replacement Benchmark Rate and the modifications or adjustments in accordance with this paragraph (D); and
- (d) as soon as reasonably practicable, the Benchmark Rate Determination Agent shall notify the Issuer of the foregoing and the Issuer shall then notify the Noteholders (in accordance with Article 14) and the Fiscal Agent by specifying the Replacement Benchmark Rate and the concomitant modifications and the adjustments determined in accordance with paragraph (b) above.

If the Benchmark Rate Determination Agent has determined that the Benchmark Rate is unavailable and/or that an Administrator/Benchmark Event has occurred, and that, for any reason whatsoever, a Replacement Rate was not or could not be determined on or prior to the next relevant Floating Rate Determination Date, then no Replacement Benchmark Rate shall be adopted, and in such a case, the Interest Rate shall be the Interest Rate determined on the preceding Relevant Floating Rate Determination Date (after readjustment in the event of a difference between the Margin, Coefficient Multiplier, Maximum Interest Rate or Minimum Interest Rate applicable to the prior Accrued Interest Period and those of the relevant Accrued Interest Period).

Where:

“**Adjustment Spread**” means either a spread (which may be positive or negative) or the formula or methodology used to calculate a spread that, in each case, the Benchmark Rate Determination Agent determines and which much apply to the Successor Benchmark Rate or Alternative Benchmark Rate (as the case may be) in order to reduce or eliminate, to the fullest extent reasonably practicable, depending on the circumstances, any economic prejudice or benefit (as the case may be) encountered by the Noteholders, Receipt-Holders, and Couponholders as a result of the replacement of the Original Benchmark Rate by the Successor Benchmark Rate or the Alternative Benchmark Rate (as the case may be), and is the spread, formula or methodology that:

- (i) in the case of a Successor Rate, is formally recommended or formally supplied as an option for the parties to adopt in relation to the replacement of the Original Benchmark Rate by the Successor Benchmark Rate by any Competent Designation Authority; or
- (ii) if no required recommendation under (i) above was made or in the case of an Alternative Benchmark Rate, is determined by the Benchmark Rate Determination Agent and that is recognised as a customary market practice for transactions on international debt capital markets or, if this is not the case, the market standard for over the counter derivative transactions having the Original Benchmark Rate as a benchmark, when such rate was replaced by the Successor Benchmark, Rate or the Alternative Benchmark Rate, as the case may be; or
- (iii) if no recommendation was made or option provided (or made available), or if the Benchmark Rate Determination Agent determines that such a spread, formula or

methodology does not exist in market practice, the Benchmark Rate Determination Agent, shall determine what it deems to be appropriate acting in good faith.

“Administrator/Benchmark Event” means, with regard to the Floating Rate Notes and the benchmarks, the occurrence of a Benchmark Modification or Discontinuation Event, a Non-Approval Event, a Rejection Event or a Suspension/Withdrawal Event.

“Alternative Benchmark Rate” means a benchmark rate or an alternative Screen Rate that the Benchmark Rate Determination Agent determines in accordance with this Article 6(c)(iii)(D) and which constitutes customary market practice in the international debt capital markets for determining interest rates (or the relevant component part thereof) for a same interest period and in the same Currency as the Floating Rate Notes.

“Benchmark Regulation” means the benchmark regulation (Regulation (EU) 2016/1011) as amended as the case may be.

“Benchmark Modification or Discontinuation Event” means, as regards the Floating Rate Notes and the benchmarks:

- (a) a material modification of such benchmark;
- (b) the permanent or indefinite cancellation or discontinuation of the supply of such benchmark;
- (c) a regulator or another public sector entity prohibits the use of such benchmark.

“Competent Designation Authority” means, with respect to a benchmark :

- (a) the central bank, reserve bank, monetary authority or any other similar institution (as the case may be) for the currency to which the benchmark refers; or
- (b) any working group or committee sponsored by or comanaged by or constituted at the request of (i) the central bank, reserve bank, monetary authority or any other similar institution (as the case may be), (ii) a group belonging to the above-mentioned institutions, or (iii) the Financial Stability Board or any part thereof;

“Non-Approval Event” means, with respect to the benchmark :

- (a) no authorisation, registration, accreditation, endorsement, equivalency decision or any approval relating to the benchmark or the benchmark administrator or sponsor has been obtained; or
- (b) the benchmark or the benchmark reference administrator or sponsor has not been and will not be registered on an official register; or
- (c) the benchmark or the benchmark administrator or sponsor does not meet or will not meet the legal or regulatory requirements applicable to the Floating Rate Notes, the Issuer, the Calculation Agent or the benchmark,

in each case as required by law and regulation so that the Issuer, the Calculation Agent or any other entity satisfies its obligations under the Floating Rate Notes. For the avoidance of doubt, a Non-Approval Event will not be constituted if, notwithstanding the fact that the benchmark or the benchmark administrator or sponsor is not or will not be registered on an official register due to the suspension of its authorisation, registration, accreditation, endorsement, equivalency or approval, at the time of such suspension, the continued supply and use of the benchmark are nonetheless allowed for the Floating Rate Notes under applicable law during the period of such suspension.

“Original Benchmark Rate” means the benchmark or the Screen Rate (as the case may be) originally specified for the purpose of determining the relevant Interest Rate (or any relevant component part(s) thereof) for the Floating Rate Notes.

“Rejection Event” means, with respect the benchmark, that the relevant competent authority or any other official authority rejects or refuses or will reject or refuse any application for authorisation, registration, accreditation, endorsement, equivalency, approval or inclusion on an official register,

in each case, as required with respect to the Floating Rate Notes, the benchmark or the benchmark index administrator or sponsor pursuant to any law or regulation applicable to the Issuer, the Calculation Agent or any other entity in order to satisfy its obligations under the Floating Rate Notes.

“Relevant Floating Rate Determination Date” means, as the case may be, (i) the Floating Rate Determination Date, when the FBF Determination is noted as being “Applicable” in the relevant Final Terms, or (ii) the Coupon Determination Date, when the Screen Rate Determination is noted as being “Applicable” in the relevant Final Terms.

“Replacement Benchmark Rate” means the Successor Benchmark Rate or the Alternative Benchmark Rate as determined by the Benchmark Rate Replacement Agent for the purpose of determining the Benchmark Rate, as the case may be.

“Successor Benchmark Rate” means a successor or replacement of the Original Benchmark Rate that is formally recommended by a Competent Designation Authority.

“Suspension/Removal Event” means, with respect to the benchmark, that:

- (a) the relevant competent authority or any other official entity suspends or withdraws or will suspend or withdraw any authorisation, registration, endorsement, equivalency decision or approval in connection with the benchmark or the benchmark administrator or sponsor that is required under any law or regulation in respect of the Issuer, the Calculation Agent or any other entity for the purpose of satisfying its obligations under the Floating Rate Notes; or
- (b) the benchmark or the benchmark administrator or sponsor is or will be removed from any official register with respect to which inclusion is or will be made mandatory pursuant to any applicable law for the purpose of allowing the Issuer, the Calculation Agent or any other entity to meet its obligations under the Floating Rate Notes.

For the avoidance of doubt, a Suspension/Withdrawal Event will not be constituted if, notwithstanding the suspension or the removal of such an authorisation, registration, accreditation, endorsement, equivalency decision, or approval, the supply and use of the benchmark index are allowed at the time of such suspension or removal for the Floating Rate Notes under applicable law during the period of such suspension or removal.

(d) Accrual of interest

Interest shall cease to accrue on each Note on the due date for redemption, unless on such due date payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before a potential court decision) at the Rate of Interest in the manner provided in this Condition to the Relevant Date.

(e) Margin, Rates of Interest, Maximum/Minimum Redemption Amounts and Rounding:

(i) Margin and Rates of Interest

If any Margin is specified in the relevant Final Terms (either (x) generally or (y) in relation to one (1) or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.

(ii) Maximum/Minimum Redemption Amounts

If any Maximum or Minimum Rate of Interest or Redemption Amount is specified in the relevant Final Terms, each of such Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be. Unless a higher Minimum Interest Rate is specified in the Final Terms, the Minimum Interest Rate shall be deemed to be zero.

(ii) Rounding

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

(f) Calculations

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

(g) Determination and publication of Rates of Interest, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts

The Calculation Agent or the Fiscal Agent, as the case may be, shall, as soon as practicable on such date as it may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount and Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount and Optional Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of the Notes in respect with Condition 14 and any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the rules of such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 6(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) Calculation Agent and Reference Banks

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual

Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office, as appropriate, or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

7. Redemption, purchase and options

(a) Final redemption

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount).

(b) Redemption at the option of the Issuer, Exercise of Issuer's Options and Partial Redemption

If a Call Option at the option of the Issuer is specified in the relevant Final Terms, the Issuer may, subject to compliance with all relevant laws, regulations and directives and on giving to the Noteholders not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice in accordance with Condition 14 (or such other notice period as may be specified in the relevant Final Terms) redeem or exercise any Issuer's option in relation to all or, if so provided, some of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, if any, in accordance with the relevant Final Terms. Any partial redemption or exercise will relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed as specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed as specified in the relevant Final Terms.

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

The Redemption Option of the Issuer, may be effected either (i) by reducing the nominal amount of the Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of the Notes and, in such latter case, the choice between those Notes that will be fully redeemed and those that will not be made in accordance with Article R.213-16 of the French *Code monétaire et financier* and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and relevant Regulated Market requirements.

(c) Early redemption

The Early Redemption Amount payable in respect of any Note, upon redemption of such Note pursuant to Condition 7(d) or 7(g) or upon it becoming due and payable as provided in Condition 10 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption unless otherwise specified in the relevant Final Terms.

(d) Redemption for taxation reasons

(i) If, by reason of any change in French law or regulation, or any change in the official application or interpretation of such law or regulation by French competent authorities, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 9(b) below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Final Terms, at any time, subject to having given not more than sixty (60) nor less than thirty (30) days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 14, redeem all, but not some only, of the Notes at their Early Redemption Amount together with, unless otherwise specified in the relevant Final Terms, any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes.

(ii) If the Issuer would, on the next payment of principal or interest in respect of the Notes, be prevented by French law from making payment to the Noteholders of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 9(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent. The Issuer shall upon giving not less than seven (7) days' prior notice to the Noteholders in accordance with Condition 14, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount together with, unless otherwise specified in the Final Terms, any interest accrued to the date set for redemption on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date, the date for redemption pursuant to such notice of Noteholders be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) fourteen (14) days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Final Terms, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes or, if that date is passed, as soon as practicable thereafter.

(e) Purchases

The Issuer shall have the right at all times to purchase Notes in the open market or otherwise (including by tender offer) at any price, subject to the applicable laws and regulations.

All the Notes purchased by or on behalf of the Issuer may at its sole option, be held in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Notes, or cancelled in accordance with Condition 7(f), unless otherwise specified in the relevant Final Terms.

(f) Cancellation

The Notes purchased by the Issuer for cancellation will be cancelled by transfer to an account in accordance with the rules and procedures of Euroclear France. If so transferred or surrendered, the relevant Notes shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all rights relating to payment of interest and other amounts relating to such Notes). Any Notes so cancelled or, where applicable, transferred and surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(g) Illegality

If, by reason of any coming into effect of a new law or regulation in France, a change in French law or any mandatory French provision, or any change in the official judicial or administrative application or interpretation of such law by any competent authority, becoming effective after the Issue Date, it would become unlawful for the Issuer to perform or comply with its obligations under the Notes, the Issuer will redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption in a notice to Noteholders, which shall be published in accordance with Condition 14 not more than forty-five (45) nor less than thirty (30) calendar days' prior to such payment (which notice shall be irrevocable).

8. Payments

(a) Method of Payment

Any Payment of principal and interest in respect of Notes shall (i) in the case of Notes in bearer form (*au porteur*) or administered registered form (*au nominatif administré*), be made by transfer to the account denominated in the Specified Currency of the relevant Account Holders for the benefit of the Noteholders and, (ii) in the case of Notes in fully registered form (*au nominatif pur*), to an account denominated in the Specified Currency with a Bank (as defined below) designated by the relevant Noteholder. All payments validly made to such Account Holders or Bank will be an effective discharge of the Issuer in respect of such payments.

(b) Payments subject to applicable laws

All payments are subject to any applicable fiscal or other laws, regulations and directives but without prejudice to Condition 9. No commission or expenses shall be charged to the Noteholders in respect of such payments.

(c) Appointment of Agents

The Fiscal Agent, the Paying Agent and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of this Information Memorandum. The Fiscal Agent, the Paying Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent acts as an independent expert and, under no circumstances shall act as agents of any Noteholder (unless otherwise specified). The Issuer may at any time vary or terminate the appointment of the Fiscal Agent, any Paying Agent, any Calculation Agent or Registration Agent and appoint other Fiscal Agent(s), Paying Agent(s), Calculation Agent(s) or Registration Agent(s) or additional Paying Agent(s), Calculation Agent(s) or Registration Agent(s), provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Paying Agent having specified office in one major European city (this city being Paris so long as the Notes are admitted to trading on Euronext Paris and that the rules applicable to that Regulated Market so require), (iii) one or more Calculation Agents if required by the Conditions (iv) in the case of Notes in fully registered form, a Registration Agent and (v) such other agent as may be required by the rules of any other Regulated Market on which the Notes may be admitted to trading.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 14.

(d) Business Days for payment

If any date for payment in respect of any Note or Coupon is not a business day, the Noteholder shall not be entitled to payment until the next following business day unless otherwise specified in the relevant Final Terms, nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) (i) on which Euroclear France is open for business, (ii) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as "**Financial Centre(s)**" in the relevant Final Terms and (B) (i) in the case of a payment in a currency other than Euro, where payment is to be made by transfer to an account maintained with a Bank in the Specified Currency, a day on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii), in the case of payments made in Euro, which is a TARGET Business Day.

(e) Bank

For the purpose of this Condition 8, "**Bank**" means a bank in the principal financial centre of the Specified Currency or, in the case of Euro, in a city in which banks have access to the TARGET System.

9. Taxation**(a) Tax exemption**

All payments of principal, interest and other revenues related to the Notes by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) Additional amounts

If French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note :

(i) *Other connection*

to, or to a third party on behalf of, a Noteholder who is liable to such taxes or duties by reason of his having some connection with the Republic of France other than the mere holding of the Note; or

(ii) *Payment to individuals*

where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 or any other conclusion of the ECOFIN Council on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

References in these Conditions to (a) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Early Redemption Amounts, Optional Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 7 or any amendment or supplement to it, and (b) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 6 or any amendment or supplement to it.

10. Events of Default

The Representative (as defined in Condition 12), upon request of any Noteholder, or in the event no Representative has been appointed, any Noteholder, may, upon written notice addressed by registered letter with acknowledgment of receipt to the Fiscal Agent (with copy to the Issuer) given before all defaults shall have been cured, cause all the Notes (but not some only) held by such Noteholder to become immediately due and payable at their principal amount, together with any accrued interest thereon, as of the date on which such notice is received by the Fiscal Agent, if any of the following events (each an "**Event of Default**") shall occur:

- (i) default in any payment when due of principal of, or interest on, any of the Notes (including the payment of additional amounts mentioned in Condition 9) by the Issuer, and the continuance of any such default for a period of ten (10) calendar days thereafter; or
- (ii) default in the performance of, or compliance with, any other obligation of the Issuer under the Terms and Conditions of the Notes, if such default shall not have been remedied within twenty (20) calendar days after receipt by the Issuer of notice of such default given by the Representative (as defined in Condition 12) or a Noteholder; or
- (iii) one or more, present or future, indebtedness of the Issuer for borrowed money, whether individually or collectively in excess of Euro 200,000,000 (or its equivalent in any other currency), shall become or might become due and payable prior to its stated maturity as a result of a default thereunder by the Issuer, or if any such indebtedness shall not be paid when due or, as the case may be, at the expiry of any applicable grace period thereof, or if a security thereto is implemented, or in the event of a payment default of any amount in connection with a guaranteed debt of a third party by the Issuer; or
- (iv) if the Issuer is liquidated, dissolved, merged, split or absorbed, before full redemption of the Notes, except if the obligations of the Issuer under the Notes are transferred to the surviving entity pursuant to such liquidation, dissolution, merger, split or absorption, as the case may be;
- (v) if the Issuer proposes a general moratorium in relation to its debt within the framework of negotiations with its creditors in the context of any out-of-court proceedings, is subject to a safeguard procedure (*procédure de sauvegarde*) or applies for the appointment of a *conciliateur* or a *mandataire ad hoc* (except when such appointment is due to statutory requirements of the Issuer or to a management assignment), or is subject to such an application, or enters into an amicable settlement (*procédure de conciliation*) with its creditors; or a judgement is issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer; or, to the extent permitted by applicable law, is subject to similar proceedings; or the Issuer makes any conveyance, assignment or other arrangement for the benefit of, or enters into a composition with, its creditors; or
- (vi) regarding only the Guaranteed Notes, if the Guarantee ceases to be valid or to be in full force and

effect for any reason.

11. Prescription

Claims against the Issuer for payment of any sums payable with respect to the Notes shall be prescribed within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from their due date.

The prescription period applicable to the Guarantee is described in Condition 5.

12. Representation of Noteholders

Noteholders will, in respect of all Tranches in one Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the "*Masse*").

In accordance with Article L.213-17 of the French *Code monétaire et financier*, the *Masse* will be governed by the provisions set out in articles L.228-46 to L.228-89 of the French *Code de commerce* applicable to associations and will act through an initial representative (the "**Representative**") and an alternate representative, whose names and remuneration with respect to such appointment will be specified in the relevant Final Terms.

13. Further issues

Unless otherwise provided in the relevant Final Terms, the Issuer may from time to time without the consent of the Noteholders create and issue further Notes to be assimilated (*assimilées*) with the Notes already issued provided such Notes and the further Notes carry rights identical in all respects (or identical in all respects save as to the issue date, issue price and first payment of interest specified in the relevant Final Terms) and that the terms of such Notes provide for such assimilation, and references in these Conditions to "**Notes**" shall be construed accordingly.

14. Notices

- (a) Notices to the holders of Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or (ii) they are published in a leading economic and financial daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*). It is specified that so long as such Notes are admitted to trading on any Regulated Market and that the rules applicable to such Regulated Market so require, notices will only be deemed to be valid if they are published on the website of any relevant regulatory authority, in a leading economic and financial daily newspaper with general circulation in the city/ies where such Notes are admitted to trading, which in the case of Euronext Paris, shall be, *Les Echos*, and by any other means required, as the case may be, by the rules applicable to such Regulated Market.
- (b) Notices to the holders of Notes in bearer form (*au porteur*) shall be valid if published (i) in a leading economic and financial daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) and (ii) so long as such Notes are admitted to trading on a Regulated Market and that the rules applicable to such Regulated Market so require, in a leading economic and financial daily newspaper with general circulation in the city/ies where such Notes are admitted to trading, which in the case of Euronext Paris, shall be, *Les Echos*, and by any other means required, as the case may be, by the rules applicable to such Regulated Market.
- (c) If any such publication is not practicable, notice shall be validly given if published in another leading economic and financial daily newspaper with general circulation in Europe. Any notice given to the Noteholders by publication shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.
- (d) Notices required to be given to the Noteholders (whether in registered or in bearer form) (*au porteur* or *au nominatif*) pursuant to these Terms and Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 14(a), (b) et (c) above; provided that so long as such Notes are admitted to trading on any Regulated Market(s) and the rules applicable to that Regulated Market so require, notices shall also be

published in a leading economic and financial daily newspaper with general circulation in the city/ies where such Notes are admitted to trading, which in the case of Euronext Paris, shall be, *La Tribune* or *Les Echos*, and by any other means required, as the case may be, by the rules applicable to such Regulated Market.

15. Governing law, language and jurisdiction

(a) Governing law

The Terms and Conditions of the Notes and the Guarantee are governed by, and shall be construed in accordance with, French law.

(b) Language

This Information Memorandum was drafted in French. An indicative translation made available by the Issuer may be offered. .

(c) Jurisdiction

Any claim against the Issuer in connection with any Notes or against the Guarantor in connection with the Guarantee may be brought before any competent court in Paris.

USE OF PROCEEDS

The net proceeds of the issue of Notes will be used to support the financing needs of the Issuer (as specified, as the case may be, in the relevant Final Terms), which is in charge of ensuring the performance of the unemployment insurance scheme in favour of employees, companies and the unemployed, by making sure that the operators shall apply the rules and provisions adopted by the social partners and in close cooperation with the later, within a perspective of a socially responsible management of the unemployment insurance scheme. The issuer's activity is further described in section "Description of the Issuer" below.

If with respect to a specific issuance of Notes a specific use of proceeds has been identified, such use shall be indicated in the relevant Final Terms.

The Notes may be qualified as "Social Bonds", as indicated in the relevant Final Terms in accordance with a framework document relating to Unedic's social bonds (as may be amended from time to time) (the "Social Bond Framework") which is available in a dedicated area on Unedic's website, in accordance with the principles applicable to the social bonds (the Social Bond Principles published by the International Capital Markets Association).

As regards the social bonds and as described in the relevant Final Terms, the net proceeds from the issuance of the Notes will be allocated by the Issuer to the financing or refinancing of some or all of the eligible social expenditures, as described in the relevant Final Terms with reference to the Social Bond Framework.

The above-mentioned Social Bond Framework describes the management of proceeds, reporting and external reviews (and in particular the issuance of a "Second Party Opinion") and external verification) arrangements applicable to the Issuer's social bond issuances, in addition to the eligibility criteria.

The Issuer mandated ISS ESG for the issuance of a "Second Party Opinion" on the Sustainability Quality of the Issuer and Social Bond Programme, assessing among other things the compliance of the Social Bond Framework with the Social Bond Principles. This Second Party Opinion, and any other opinion or certification provided in connection with the issuance of Notes according to the Social Bond Framework will be available on the website if the Issuer (https://www.unedic.org/sites/default/files/2020-07/200630_Unedic_Social_SPO_final.pdf;https://www.unedic.org/sites/default/files/202007/200630_Unedic_Social_SPO_1-pager.pdf).

The Final Terms relating to the social bonds will provide the relevant information, such as the references to the applicable social bond framework (defining, among other things, the selection criteria for eligible social expenditures) under which such Notes are issued. The Final Terms may refer investors to the relevant section of the Issuer's website for more information.

DESCRIPTION OF THE ISSUER

History and development of the Issuer

The Issuer is a jointly-managed body created under the National inter-industry agreement of 31 December 1958 to manage the unemployment insurance scheme. At that time, the scope of the unemployment insurance scheme was confined to the activity sectors represented on the Conseil National du Patronat Français (French national employers' association – CNPF). The scheme was progressively widened to include all trades and professions in the private sector. The following are the milestones in the widening of its scope:

1959	Inclusion of the industrial and commercial sectors represented on the Conseil National du Patronat Français (CNPF)
1967	Inclusion of all industrial and commercial sectors and optional membership for industrial and commercial public corporations (utilities)
1974 – 1977	Inclusion of the agricultural scheme
1979 – 1980	Inclusion of domestic servants and child minders
1987	Optional, revocable membership of local government and administrative public corporations other than those of the State, for non-established staff
1999	Optional, revocable membership of universities, major higher training institutions (grandes écoles) and scientific and technological public corporations

Issuer's corporate name and business name

The Issuer's name is "Union nationale interprofessionnelle pour l'emploi dans l'industrie et le commerce - Unédic".

Registration place and number of the Issuer

The Issuer is registered with the Paris Trade and Corporate Register under the unique identification number 775 671 878 RCS Paris.

Formation and term of the Issuer

The Issuer filed its articles of association with the non-profit associations office of the Préfecture de police [police headquarters] on 23 January 1959 and began its activity on 5 February 1959. The Issuer was subsequently registered with the Paris Trade and Corporate Register on 20 January 1994 for an unlimited term.

Its financial year begins on 1 January and ends on 31 December each year.

Registered office, legal form, legislation governing the activities of the Issuer, country of origin, address and telephone number of the registered office

Legal form and registered office

The Issuer is a private-law, non-profit association formed under the non-profit association Act of 1 July 1901. The Issuer was instituted pursuant to the National inter-industry agreement of 31 December 1958 creating a national, inter-industry unemployment insurance scheme, signed between the national employers' organisations and the national trade-union organisations of employees, representative at inter-industry level.

The following is the contact information for the Issuer's registered office, 4 rue Traversière, 75012 Paris, France, tel.: +33 (0)1.44.87.64.00, website: www.unedic.org,

Legislation governing the Issuer's activities

The Issuer is governed by French law and in particular by the provisions of the non-profit associations Act of 1 July 1901 and by the provisions of the French *Code du Travail* and of the aforementioned national agreements concerning the unemployment-insurance institutions and the unemployment insurance scheme which apply to all employers in the private sector.

The Issuer implements the provisions of relevance to unemployment insurance.

- Agreements concerning the unemployment insurance institutions

The agreement of 31 December 1958 was succeeded by the agreement of 24 February 1984, then by that of 22 March 2001 relating to institutions concluded for an indefinite term, both maintaining the institutions created in 1958. The agreement of 22 March 2001 currently governs the Issuer's internal operation, supplementing its articles of association.

- The unemployment insurance agreements

Since 1984, the social partners have concluded unemployment insurance agreements for fixed terms to take account in particular the financial position of the unemployment insurance scheme. These agreements are then approved by the national authorities competent in employment matters to make those agreements binding upon all employers and employees in the private sector. The Issuer is tasked with the responsibility of implementing these unemployment insurance agreements.

The latest unemployment insurance agreement dated 14 April 2017, which replaces the previous agreement dated 14 May 2014, will be applicable, for most of its provisions, as from 1 October 2017.

Conformity and extension of the unemployment insurance agreement of 14 May 2014

The agreement of 14 May 2014 was aimed at (i) strengthening the security of the employees during the transition process between employment and unemployment to tackle precariousness, (ii) at further encouraging the recovery of employment, and more generally, (iii) at simplifying the rules in order to make them more readable. It provided, in particular, for new rules on refillable rights and on the combination of salary and unemployment benefit.

This agreement and the appended rules were approved by Order ("*Arrêté*") of the Minister of Labour and Social Dialogue dated 25 June 2014¹².

By a decision dated 5 October 2015, the Conseil d'Etat cancelled three provisions of the general rules (*règlement général*) attached to the unemployment insurance agreement dated 14 May 2014 pertaining to (i) the recovering of overpayments' process, (ii) the consequences of the non-declared periods and (iii) to the inclusion of the compensation granted by the labour courts into the calculation of the specific deferred compensation.

The cancellation of the first two measures, as it does not affect the unemployment insurance agreement, took immediately effect and the relevant provisions were cancelled as they could not legally be formally approved. However, the provisions pertaining to the deferred compensation being one and indivisible with regard to the other provisions of the unemployment insurance agreement, the Conseil d'Etat decided on the cancellation of the unemployment insurance agreement in its entirety, as from 1 March 2016, in order to allow to take the measures necessary to ensure the continuity of the unemployment insurance scheme.

Therefore, the social partners held a meeting on 18 December 2015 in order to bring the agreement of 14 May 2014 into compliance with the law by way of amendment in view of a new approval of the agreement. This amendment agreement was executed on 18 December 2015 and entered into force on 1 March 2016.

The unemployment insurance agreement of 14 May 2014 was entered into for a fixed period between 1 July 2014 and 30 June 2016. The implementation measures of the unemployment benefit scheme are established by Decree ("*Décret*") at Conseil d'Etat in the absence of agreement between the social partners

¹² Official Journal of the French Republic - JORF No. 0146 of 26 June 2014

on the terms of a new unemployment insurance agreement. In accordance with Article L. 5422-20 of the Labour Code and in the absence of an agreement between the social partners, the implementation measures of the unemployment benefit scheme have been established in accordance with the terms of Decree no. 2016-869 of 29 June 2016, superseded by Decree no. 2016-8669 of 13 July 2016, relating to the unemployment benefit scheme for workers made redundant involuntarily, which provides for the extension (in their version applicable as of 30 June 2016 and with the exception of the provisions or stipulations they contain concerning their period of validity) of the agreement of 14 May 2014 and of the general rules appended thereto until the entry into force of the Order ("*Arrêté*") approving a new unemployment insurance agreement agreed between the social partners.

Adoption of the unemployment insurance agreement of 14 April 2017

An unemployment insurance agreement was entered into on 14 April 2017 by the social partners. The unemployment insurance agreement of 14 April 2017 was approved by Order issued by the Minister of Work, Employment, Professional Training and Social Dialogue dated 4 May 2017¹³, notably in application of the provisions of Article L.5422-20 to Article L.5422-23 of the Labour Code. The agreement and the appended texts establish the implementation measures of the unemployment benefit scheme with effect from 1 October 2017 for a period of 3 years, until 30 September 2020.

The main changes made to the unemployment benefit scheme under the agreement of 14 April 2017 notably concerned (i) calculation of unemployment benefit, which was solely based on the number of days worked, (ii) modification of the maximum benefit period for unemployed people aged over 50 (progressive scale from 24 months to 36 months maximum for unemployed people aged over 55), (iii) specific benefit deferral in the event of supra-legal indemnities being paid (reduced from 180 to 150 days), (iv) creation of a temporary extraordinary contribution at the rate of 0.05% and exclusively payable by the employer¹⁴, and (v) elimination of the current adjustment of employers' contributions to unemployment benefit for fixed-term contracts.

On 18 June 2019, the government presented the social partners with a proposal on the reform of the unemployment insurance system. This proposal followed the employment orders and French law no. 2018-771 dated 5 September 2018 "regarding the freedom to choose one's professional future" (as described below). The social partners not having reached an agreement within the planned time period, it fell to the government to determine the measures for implementing the unemployment insurance system by decree n°2019-797 dated 26 July 2019.

The decree of 26 July 2019 repealed the order of 4 May 2017 approving the 14 April 2017 unemployment insurance agreement and its related texts, with the exception of amendment no. 2 of 14 April 2017 to the agreement dated 26 January 2015 relating to the professional security contract. Most of the provisions of the decree came into force starting 1 November 2019 and will apply until 1 November 2022.

Adoption of the unemployment insurance regulation by decree dated 26 July 2019

The changes made by decree no. 2019-797 dated 26 July 2019 concern in particular:

- (i) the method for calculating unemployment insurance benefits, which will no longer be based only on the number of days worked but on the job's average monthly pay,
- (ii) the minimum employment period necessary to benefit from back-to-work allowance (*aide au retour à l'emploi*, or "ARE"), which will be increased to 130 days (or 910 hours) over the 24 months that preceded the end of the employment contract with respect to employees aged less than 53 years at the date of the end of their employment contract (and over the last 36 months for employees aged 53 years and older)¹⁵,
- (iii) an adjustment of the entitlement renewal system, which will be subject to the condition that the employee demonstrates that he/she has been affiliated with the unemployment insurance system for at least 130

¹³ Official Journal of the French Republic – JORF no. 0107 of 6 May 2017

¹⁴ The decree of July 26, 2019 then perpetuated this exceptional contribution, initially planned for a maximum period of 3 years (i.e. until September 30, 2020), by increasing the rate of contributions payable by the employer to 4.05%.

¹⁵ Up until the effective date of the new provisions of the unemployment insurance regulation, in order to receive back-to-work allowance (*aide au retour à l'emploi*, or "ARE"), an employee who was involuntarily deprived of his/her work had to have worked at least 88 days (i.e., four months) over the last 28 months in the same company or with different employees (or 36 months in respect of persons aged 53 years and over at the date of the last employment contract).

days worked (or 910 hours worked) in respect of one or more activities carried out prior to the employment contract end date¹⁶,

- (iv) the maximum compensation period giving rise to the payment of unemployment benefits (ARE), which cannot be less than 182 calendar days nor more than 730 calendar days. For the unemployed aged at least 53 years and less than 55 years on the date of the end of their employment contract, this limit is increased to 913 calendar days (and to 1,095 calendar days for the unemployed aged at least 55 years),
- (v) the implementation of a 30% degressivity principle (i.e., 0.7 degressivity coefficient) applicable to unemployment insurance benefits starting on the 183rd day of being paid benefits with respect to jobseekers whose former salaries exceed a certain amount (€4,500 (gross)),
- (vi) the creation of a bonus-penalty system relating to employers' separation rate for firms with more than 11 employees operating in the seven business sectors that most often have recourse to short-term contracts,
- (vii) entitlement to employment benefits (ARE) for certain resigning employees and for independent workers under certain conditions,
- (viii) the implementation of new support measures for jobseekers who combine employment income with unemployment benefits or who go between being employed and unemployed, and
- (ix) revaluation of the Issuer's rate of contribution to the financing Pôle emploi, from 10% to 11%.

In the context of the spread of Covid-19 and in light of the disease's consequences on the job market, decree no. 2020-361 of 27 March 2020, decree no. 2020-929 of 29 July 2020 and decree no. 2020-1716 of 28 December 2020, modifying decree 2020-797 of 26 July 2019 respectively postponed the effective date of the method for calculating the daily reference salary serving to calculate unemployment benefits to 1 September 2020, to 1 January 2021 and then to 1 April 2021. In view of the postponement of the implementation of the new calculation methods to 1 April 2021, the list of periods that may be neutralised when determining the daily reference salary that serves as the basis for calculating the benefit and the duration of the benefit payment was also adjusted.

Decree no. 2020-361 of 27 March 2020 has also introduced derogating rules relating to the calculation of the benefit period and the reference daily salary for occasional dockers in order to take into account the specific employment conditions of those workers.

Decree no. 2020-929 of 29 July 2020, as amended by decree n°2020-1716 of 28 December 2020, also provides for the following measures:

- the deferral until 1 April 2021 of the implementation of the degressivity principle for jobseekers with a former high income;
- the modification of the minimum employment period necessary for opening or renewal of the indemnification by the unemployment insurance system, which is increased to 4 months worked in 24 months, for employees who lost their employment and whose employment contract ended since 1 August 2020; and

the list of functions for determining the scope of Annex VIII to the Regulation Unemployment Insurance system (intermittent entertainment technicians working in film editing).

Decree no. 2020-1716 of 28 December 2020 also drew the consequences of the decision of the *Conseil d'Etat* dated 25 November 2020, having cancelled certain provisions of Decree no. 2019-797 of 26 July 2019 relating to the unemployment insurance system concerning (i) the determination of the reference daily wage, taking into account the non-work days and (ii) the referral to orders of the minister responsible for employment for the purpose of determining the average separation rate beyond which a sector of activity may be subject to the mechanism of modulation of the unemployment insurance contribution and the sectors concerned by such modulation, on the grounds, respectively, of infringement of the principle of equality and unlawful sub-delegation,

In addition to decree n°2020-1716 of 28 December 2020, the following texts provide for an exceptional extension of the rights of jobseekers who reach the end of their compensation during the period of sanitary crisis:

¹⁶ Up until the effective date of the new provisions of the unemployment insurance regulation, to be able to renew one's entitlements, it was sufficient to have worked 150 hours.

- Law no. 2020-1379 dated 14 November 2020 authorizing the extension of the state of sanitary emergency;
- Order (*ordonnance*) no. 2020-1442 dated 25 November 2020 reinstating emergency measures for replacement income mentioned in Article L. 5421-2 of the Labor Code;
- Order (*arrêté*) dated 9 December 2020 on emergency measures relating to replacement income mentioned in Article L. 5421-2 of the Labor Code and the decree of 23 December 2020 amending the decree dated 9 December 2020.

The Issuer published Circular No. 2021-01 dated 8 January 2021, relating to the extension of certain provisions of the general regulations annexed to the agreement of 14 April 2017 and other emergency measures relating to Covid-19, in order to further detail these various arrangements.

Finally, it is recalled that the government and the social partners resumed the consultation on the unemployment insurance reform on 25 January 2021.

Recent events specific to the Issuer and significantly influencing assessment of its solvency

The number of salaried jobs affiliated with the unemployment insurance system rose by 210,000 jobs in 2019, after a rise in 2018 (+163,000 jobs, i.e., +0.9%) and in 2017 (+330,000 jobs, i.e. +1.7%). Meanwhile, the number of jobseekers indemnified by the unemployment insurance system rose by +0.2% in 2019 after a stabilisation in 2018 and a rise of +0.5% in 2017. Each month, approximately 2.8 million jobseekers on average received benefits from the unemployment insurance system in 2019 (source: Pôle emploi, CVS data at end of month, all of France).

The moderate rise in payroll (*masse salariale*) and the slight increase in the number of jobseekers receiving benefits reduced the unemployment insurance system's deficit to 2 billion euros in 2019 (compared to 2.7 billion euros in 2018):

- Benefit expenditure increased by 2.30 % in one year:
 - +2.01% for the "back-to-work" allowance (*Allocation d'aide au retour à l'emploi –ARE*);
 - + 6.08% for other benefits.
- The proceeds from contributions sharply reduced by -34.55%, mainly under the effects of the increase in the affiliated wage bill in 2019 (+3.1%) and the employment income based general social contribution (*CSG activité*)'s momentum which was stronger than expected (+3.4%).

The difference between the contributions, benefits and other technical charges (excluding Pôle emploi's contribution) is balanced for 2019. After including the contribution of the unemployment insurance to the operation of Pôle emploi (€3,521 billion), the change in technical management charges rose by +2.6% between 2018 and 2019. The technical management result remains at a deficit of €1,1614 billion for 2019, an improvement compared to the 2018 deficit, i.e., €2,271 billion euros¹⁷.

Issuer Rating

The Issuer is rated Aa2 (stable outlook) by Moody's Investors Service Limited and AA (negative outlook) by Fitch France S.A.S. The financial rating agencies Fitch France S.A.S. and Moody's Investors Service Limited had downgraded the Issuer respectively on 18 December 2014 and 22 September 2015, along with the sovereign rating downgrade for France decided by these agencies. The short-term ratings of P1 (issued by Moody's Investors Service Limited) and F1+ (issued by Fitch France S.A.S.) remained unchanged.

Overview of the Issuer's activities

Issuer's main activities

¹⁷ The items above relate to the 2019 financial year and do not take into account the subsequent impacts related to the Covid-19 pandemic (see section "Recent Developments" below).

(A) Issuer's corporate object

Pursuant to Article 2 of its articles of association dated 31 January 2017, the corporate object of the Issuer is:

- (1) to manage or finance all compensation scheme regarding involuntary work-deprivation, loss-jobs prevention, jobs retention and national training programme and more generally all employment scheme;
- (2) to conduct all studies and research in the field of employment, nationally and internationally;
- (3) to liaise as necessary with the public services, agencies and bodies, principally regional joint representation bodies whose activity concerns employment and to provide its cooperation as necessary;
- (4) to provide the regional management joint representation bodies with the guidelines ensuring implementation of the unemployment insurance regulations and make available to them all information and more generally all useful points in order to achieve this task and follow-up those tasks delegated to the unemployment insurance's operators;
- (5) to respond to all requests of the regional joint representation bodies and, as the case may be, take all necessary follow-up measures;
- (6) in compliance with provisions of Law n°2008-126 of 13 February 2008 reforming the organisation of the public employment service, to take all initiatives conducive to the return to employment of workers deprived of work against their will;
- (7) to defend, with respect to any person not having the capacity of a member, the interests of the unemployment insurance scheme before any jurisdiction;
- (8) to ensure that all public employment service members correctly apply all devices entrusted for implementation by Unédic;
- (9) to promote the quality of the services provided to workers deprived of employment against their will and to businesses;
- (10) to access to all personal information collected by all public agencies and bodies entrusted by Unedic with a mandate or a delegation for management, statistical and control purposes;
- (11) to contribute expertise to all other members of the employment public services, particularly in all fields referred to by the present article,
- (12) to manage any plan or funds necessary to the performance of the missions that have been or will be assigned to it by law, by order or by an agreement between the social partners or by any agreement with another entity and of which it undertakes to comply with the regulation. For that effect, it provides for the economical, legal and social unity of each of these schemes and of the means deployed.

The Articles of association of the Issuer were amended by way of a decision of the Board of Directors dated 7 February 2012 with a view to have them adapted to the new organisation of the public employment service (creation of Pôle emploi, abolition of the Groupe paritaire national de suivi, etc...).

(B) The Issuer manages (i) the contractual and jointly-managed unemployment insurance scheme and (ii) other mechanisms provided under the agreements.

(1) The contractual unemployment insurance scheme

- Unemployment insurance

The unemployment insurance scheme introduced by the national inter-industry agreement of 31 December 1958 is a contractual scheme of which the principles are laid down by statute. The Issuer manages on a jointly-representative basis the contractual provisions for compensating employees deprived of employment in France against their will.

Under the scheme, unemployment benefit is paid to employees deprived of employment against their will who fulfil the conditions of age and of previous activity that has given rise to the payment of unemployment insurance contributions. Unemployment insurance benefits are calculated on the basis of the average gross salary for the last twelve (12) months of an employee deprived of employment against his will. The period for which benefit is paid depends on the length of the earlier activity having given rise to membership of the unemployment insurance scheme and on the age of the employee deprived of employment.

At the outset, the unemployment insurance scheme concerned only businesses that were members of a trade association. However, it was widened in successive stages to all private-sector businesses and today has become an inter-industry scheme. It is a compulsory basic scheme: all employers in the private sector must subscribe to the unemployment insurance scheme to cover all their employees¹⁸.

The unemployment insurance scheme is funded by compulsory contributions from employers and employees in accordance with the principle of professional solidarity. These contributions used to be collected by *Pôle emploi* on behalf of the Issuer. Since 1 January 2011, collecting contributions, on behalf of the Issuer, is principally provided by Acoff and by the urssaf network¹⁹. These resources are managed by the Issuer. Their amount is laid down by the social partners in the agreement of 14 April 2017 on unemployment benefit, and changes in accordance with the expenditure to cover.

The contributions are used to finance the benefits paid to employees who are deprived of employment and have paid sufficient contributions. Pursuant to Article L. 5422-24 of the French *Code du Travail*, 10% of these contributions are paid to *Pôle emploi* for its operating expenses and investment costs, and its assistance in finding employment for workers deprived of employment. The decree of 26 July 2019 increased the Issuer's rate of contribution to *Pôle emploi*'s financing to 11%.

The contribution rates were set by the unemployment insurance agreement of 14 April 2017 at 6.40% (4% shouldered by employers and 2.40% by employees), plus an exceptional 0.05% contribution (perpetuated by Decree of 26 July 2019) borne exclusively by employers for the term of the agreement. The decree of 26 July 2019 set the rate of the employer contributions referred to in paragraph 1 of article L. 5422-9 of the French Labour Code at 4.05%.

The 2019 social security budget law eliminated employee contributions to the unemployment insurance system commencing 1 January 2019, which were replaced by a fraction of the employment income based general social contribution (*CSG activité*).

In order to secure the financing for these eliminations and reductions and to guarantee that the Issuer is financed, the members of the Issuer's Executive Committee approved the execution of the following agreements:

- an agreement with Acoff and *Pôle emploi* to provide a framework for the payment of the employment income based general social contribution replacing employee contributions and the monitoring of wage bill data, which was entered into on 23 January 2019; and
- an agreement with Accos, the Caisse Central de la MSA (CCMSA) and *Pôle emploi* regarding the financing of the general relief arrangements, which was entered into on 23 January 2019.

The framework surrounding the State's financial compensation regarding specific exemptions of employer contributions to the unemployment insurance system was formalised in an agreement entered into on 30 March 2019 with the relevant ministerial departments.

- In order to enable *Pôle emploi* to carry on the missions previously performed by the unemployment insurance institutions, two service agreements were entered into on 19 December 2008 between

¹⁰ Art. L. 5422-13 *Code du Travail*

¹¹ Collecting contributions on behalf of the unemployment insurance was transferred further to provisions of Law 2008-126 of 13 February 2008.

the Issuer and Pôle emploi concerning the payment of unemployment insurance benefit and the collection of contributions on a transitional basis.

Under these terms, the Issuer prescribes, particularly to Pôle emploi, the rules concerning payment of unemployment benefit, and implements the unemployment insurance financial policy defined by the social partners. For this purpose, the Issuer drafts instructions and disseminates, among others, circulars, instructions, printed material and operating forms nationwide. In addition, it monitors disputes on questions of principle and manages the finances and cash of the unemployment insurance scheme.

With a view to simplifying formalities by employers in the context of payment of unemployment benefit insurance contributions, by reducing specifically the number of declarations and interlocutors, these service agreements were subsequently incorporated in the context of a quadripartite agreement dated of 17 December 2010 entered into by the Issuer, Pôle emploi, AGS and Acoess regarding the collection of contributions and subscriptions due from employers. The missions of the Issuer as referred to in the previous paragraph are incorporated and detailed in this new agreement.

The agreement also describes in detail the conditions according to which *Pôle emploi* and Acoess collect on behalf of the Issuer contributions due for unemployment insurance and subscriptions to guarantee employees' claims, as well as payment of unemployment benefit to jobseekers.

- The *Contrat de sécurisation professionnelle* (Careers safeguarding agreement)

In the context of the national inter-professional agreement of 31 May 2011 and Law n°2011-893 of 28 July 2011 for the development of work-study contracts and safeguarding of careers contracts, social partners adopted the agreement of 19 July 2011 for the safeguarding of career contract ("*contrat de sécurisation professionnelle*" or "*CSP*") (which duration had been extended to 31 December 2014), in replacement of the individualised return-to-work agreement ("*convention de reclassement personnalisée*") and the professional transition agreement ("*contrat de transition professionnelle*"). The CSP is intended to assist and pay a specific allowance to the employees who are made redundant for economic reasons in order to promote their accelerated job-reclassification.

The social partners agreed, within the framework of the national inter-industry agreement ("*accord national interprofessionnel*") dated 8 December 2014 concluded for two years, to renew and adapt the measures regarding safeguarding of careers contracts ("*contrat de sécurisation professionnelle*").

The CSP applies to all redundancy procedures for economic reasons by all companies which are not submitted to the reclassification leave (i.e. all companies, consisting of all their businesses branches, with a workforce of less than 1,000 employees or those in receivership or judicial liquidation regardless of their workforce).

The amendments relate, in particular, to the reduction of the safeguarding of careers indemnity ("*allocation de sécurisation professionnelle*"), the establishment of a re-employment premium and of a "CSP-glissant" to take into account the periods of work and the broadening of the conditions of the return to employment.

The national inter-industry agreement ("*accord national interprofessionnel*") has been implemented in a new agreement on the CSP dated 26 January 2015, entered into force on 1 February 2015. On 31 May 2018, the social partners concluded an amendment (Amendment no. 3) providing for an extension to the agreement of 26 January 2015, which will therefore remain in force until 30 June 2019.

On 8 January 2020, the social partners (other than the CGT) signed amendment no. 5 to the agreement dated 26 January 2015 relating to the safeguarding of careers contracts in order to render this agreement compliant with applicable unemployment insurance regulations. However, safeguarding of careers contracts continue to have certain specificities (i.e., affiliation conditions

are not aligned with those of the ARE, nor the methods for calculating the daily reference salary or the degressivity measure).

Taking into account the deferral of the implementation of the new unemployment insurance regulation, the bringing into conformity of the agreement on the CSP is also postponed.

(2) The other schemes

The Issuer also carries out other missions on behalf of third parties under management agreements with the State and the AGS (Association pour la Gestion du régime d'assurance des créanciers des Salariés – Association managing the scheme insuring amounts owed to employees).

- The Unédic-AGS agreement

The AGS is the employers' organisation financed by businesses, created in early 1974; it pays the debts arising from the employment contract in the event of a business going into receivership or judicial liquidation. On 18 December 1993, a management agreement was concluded between AGS and the Issuer; the latter is responsible for collecting the contributions, making the necessary funds available to the appointed agents and judicial administrators, recovering sums advanced and keeping accounts of the transactions involved.

The agreement was terminated on 27 June 2019 by AGS, effective 31 December 2019. As negotiations commenced for the purpose of entering into a new agreement were still in progress, an extension agreement relating to the management agreement dated 18 December 1993 was entered into between AGS and the Issuer on 19 December 2019.

The extension agreement provides of the continuation of negotiations and the drafting of a draft new agreement between the parties, as well as the extension of the agreement dated 18 December 1993 and the various amendments until a new agreement is entered into.

The members of the Issuer's Executive Committee, by decisions taken on 26 May 2020, validated the extension of the current agreement until 31 December 2020, while continuing the work aimed at the conclusion of a new agreement and specifying the conditions for exercising financial solidarity between the AGS and Unédic (extension agreement n°2 dated 18 June 2020).

The members of the Issuer's Executive Committee, by decisions taken on 18 December 2020, validated a further extension of the current agreement until 30 June 2021 (extension agreement n° 3 dated 18 December 2020).

- The State-Unédic agreement on compensation for short-time working

In response to the economic difficulties encountered by businesses, an alternative to short-time working has been instituted, turned "activité partielle à longue durée" (long-term part-time working). This scheme may provide for the payment, under a part-time working agreement, of additional benefits for short-time working to employees whose working time is reduced below the legal or contractual period for a long period, with counterpart job-maintenance and training guarantees. These benefits are funded jointly by the business, the State and the unemployment insurance scheme. The scheme contributes to the financing of the arrangement up to a maximum of €150 million (to which an additional envelope of €80 million had been added in 2012), with the aim of avoiding as many redundancies as possible, for which it would have to assume financial responsibility. Beyond 31 December 2012, long-term part-time working ("*activité partielle à longue durée*") was funded by the balance of the previous envelope. The State's participation is in addition to its existing participation in the special short-time working benefit. Since the creation of the new part-time scheme referred to below, the scheme has been financed one-third (33%) by Unédic and two-thirds (67%) by the State.

- Temporary part-time scheme named "activité réduite pour le maintien de l'emploi" (part-time working for employment preservation)

Article 53 of law No. 2020-734 of 17 June 2020 providing “various provisions related to the sanitary crisis, to other urgent measures and the withdrawal of the United Kingdom from the European Union” created, from 1 July 2020, a new temporary specific part-time scheme named “activité réduite pour le maintien de l’emploi” (part-time working for employment preservation), for companies undergoing a lasting decline in activity but whose business continuity is not threatened. Decree n°2020-926 of 28 July 2020 in relation to said specific part-time scheme provides that the implementation of this scheme is subject to:

- the conclusion of a collective agreement, providing especially the starting date and duration of the specific scheme, the activities and employees concerned by the scheme, the maximum reduction in working hours, employment and training commitments and the procedures for informing the signatory employee trade union organisations and staff representative institutions;

This agreement must be approved by the *préfet* of the location of the concerned establishment.

- commitments for employment preservation.

This scheme is applicable for a period of 24 months, consecutive or not, over a reference period of 36 consecutive months and is limited to agreements transmitted for approval to the administrative authority, no later than 30 June 2022.

In this context, the reduction in employees' working time is limited to 40% of the legal duration and compensation is increased to 70% of the gross hourly reference pay (limited to 4.5 *Smic* “*salairé minimum de croissance*”(French minimum wage)). The part-time activity allowance reimbursed to the employer is fixed, depending on the case, to 60% (agreements transmitted to the administration before 1 October 2020) or 56% (agreements transmitted to the administration after 1 October 2020) of the gross hourly reference salary (limited to 4.5 *Smic*).

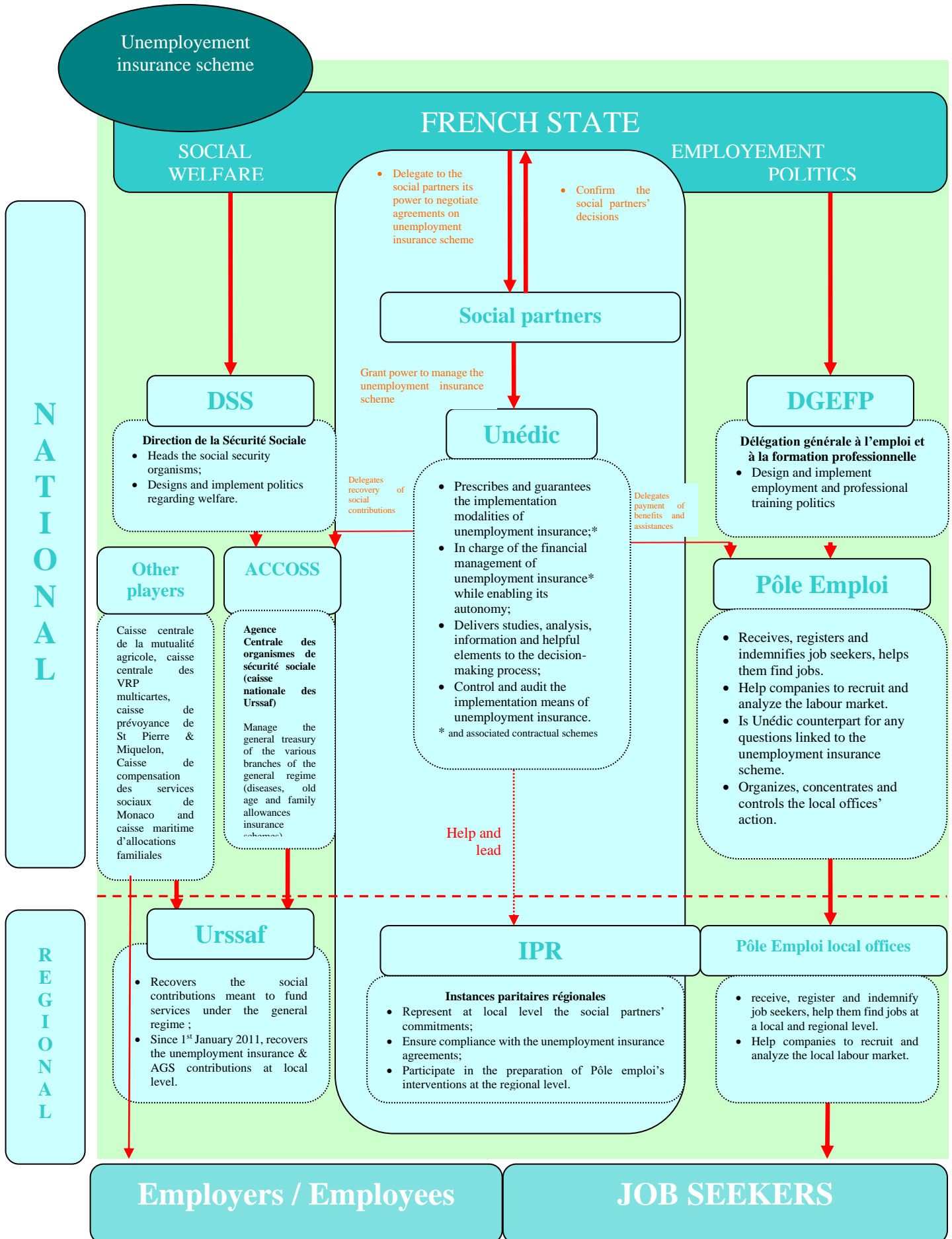
An amendment n° 1 dated 18 December 2020, to the State-Unédic agreement of 1 November 2014, determines the terms and conditions for financing the part-time scheme in the context of Covid-19 and its consequences on the labour market.

Unédic is responsible for 33% of the partial activity allowance, with the remaining 67% borne by the State.

The social security budget law No. 2020-1576 of 14 December 2020 extends for 2021, as from 1 January 2021, the social security regime for the legal contribution (art. 8, III and VII) and the supplementary contribution paid by employers to employees in part-time activity for periods of employment in 2021 only (art. 8, IV).

Flowchart

Place of the Issuer in the organisational scheme of the public employment service.



The unemployment insurance scheme is a protection scheme with rules adopted by the social partners. The Issuer has been put in charge of administering these contractual rules.

The Issuer is joint-representation body managing the unemployment insurance scheme; on behalf of the social partners, it also performs the role of research and expertise in subjects related to employment and unemployment. For this purpose, it provides to the social partners or to its management bodies analytical information required by them to develop their projects and conduct their activities (using indicators, studies, surveys, simulations, estimates, underwriting balance and assessments, benefit forecasts, etc.).

(A) The Issuer and Acoess

In the framework of Law No. 2008-126 of 13 February 2008 reforming the organisation of the public employment service, Acoess and Urssaf network were entrusted, on behalf of Unédic and AGS, with the collection of unemployment insurance's contributions and subscriptions.

The implementation phase was endorsed by a quadri-partite agreement concluded on 17 December 2010 by the Issuer, Pôle emploi, AGS and Acoess, which provides the practical terms pursuant to which Acoess and all services of the recovery branch collect, on behalf of the Issuer and AGS, contributions and subscriptions.

(B) The Issuer and Pôle emploi

Law No. 2008-126 of 13 February 2008 organised the merging of the Agence nationale pour l'emploi (ANPE – National employment agency) and the unemployment insurance operating network (the Assédic and Garp agencies) and provided for the creation of a new public corporation called Pôle emploi. This new institution was created on 19 December 2008.

Pôle emploi enjoys legal personality and financial independence. On behalf of the issuer, it is responsible for carrying out the missions of the public employment service including placement, payment of benefit, job finding, training, support and advice for job seekers. In accordance with Article L. 5312-1 of the French *Code du Travail*, the six (6) missions of Pôle emploi consist of the following:

- (1) prospecting the labour market, developing expertise in trends in the job market and in skills, collecting job offers, assisting and advising businesses in their recruitment, matching job offers with jobseekers and participating actively in combating hiring discrimination and in campaigning for professional equality;
- (2) receiving, informing, guiding, supporting and advising persons regardless of whether they are in work, who are seeking work, training or professional advice, prescribing all actions conducive to developing their professional skills and improving their employability, facilitating their return to work and professional betterment, facilitating their geographical and professional mobility and contributing to their finding work and a place in society;
- (3) taking registrations on the list of jobseekers, keeping that list up-to-date and ascertaining whether jobseekers are duly seeking work;
- (4) on the Issuer's behalf, paying the unemployment insurance benefit and on behalf of the State or the Solidarity fund, paying the Solidarity benefits, return-to-work bonus, the lump-sum bonus and any other benefit or assistance the state requires it to pay under contract;
- (5) collecting, processing, disseminating and making available to the relevant State and Issuer services, data concerning the labour market and payment of benefits to jobseekers; and
- (6) implementing all actions entrusted to it by the State, local and regional government and the Issuer of relevance to its mission.

Pôle emploi collected contributions as a transitional measure; this task is now handed over to the urssaf (see above).

The Issuer prescribes the rules concerning payment of unemployment benefit and any assistance negotiated by the social partners. The relevant instructions are transmitted to Pôle emploi for payment on the Issuer's behalf of benefits to jobseekers who have been subscribed to the unemployment insurance scheme.

The Issuer also defines, specifies and forwards the necessary instructions for collection of employers' and employees' contributions and participates in the implementation of other contractual mechanisms.

The Issuer ensures that Pôle emploi is compliant in fulfilling its instructions, pursuant to the tripartite, multi-year agreement signed between Unédic, the State and Pôle emploi on 18 December 2014²⁰.

A new tripartite agreement was signed on 20 December 2019 for the purpose enabling the State and the Issuer to define Pôle emploi's strategic orientations for the upcoming years (2019-2022).

These orientations respond to a strong desire on the part of the State, Unédic and the social partners to accelerate company recruitments and to promote jobseekers' access to sustainable employment by responding more reactively to their needs and by focusing on skills development in order to prevent sustained absence from the job market and recurring unemployment. Three strategic orientations were therefore defined for Pôle emploi in this framework:

- accelerate and facilitate jobseekers' return to sustainable employment by adapting the personalisation and intensity of support initiatives to the needs of each individual through his/her career path;
- fight more effectively against companies' difficulties with recruitment by responding in a personalised and reactive way to companies' needs, and in particular small and medium sized companies (VSE-SME); and
- developing and promoting jobseekers' skills and qualifications in order to foster recruitments, notably by offering more relevant, more personalised, more comprehensible and more rapidly accessible training.

The Issuer is also the main contributor to Pôle emploi's budget, with financing amounting to 10% of contributions received (of around €3.348 billion in 2017, €3.419 billion in 2018 and 3.521 billion in 2019)²¹. Decree no 2019-797 of 26 July 2019 relating to the unemployment insurance system increased this contribution by one point (increased to 11%) for the purpose of enhancing the support provided to jobseekers.

At its meeting on 25 February 2020, the Issuer's Executive Committee approved the draft annual treasury agreement between the Issuer and Pôle emploi. This agreement defines the amount and payment terms applicable to the Issuer's contribution to Pôle emploi's budget for 2020. The contribution should amount to approximately €4 billion in 2020, i.e., 500 million euros more than in 2019. This allocation corresponds to 11% of contributions collected, in accordance with article 3 of decree no. 2019-798 relating to the unemployment insurance system.

(C) The Issuer and the regional joint bodies

Article L. 5312-10 of the French *Code du Travail*, in its drafting as arising pursuant to Act No. 2008-126 of 13 February 2008 reforming the organisation of the public employment service, institutes regional joint bodies within the regional management entities of Pôle emploi. Those bodies have the following missions:

- (1) Delivering an opinion on programming of Pôle emploi action at the relevant territorial level; and
- (2) Overseeing the implementation of the unemployment insurance agreement.

The multi-year agreement provided in Article L. 5312-3 of the French *Code du Travail*, signed between the State, Unédic and Pôle emploi on 18 December 2014 provides for the regional joint bodies to exercise a role of alerting the Issuer as part of their remit of overseeing due implementation of the unemployment insurance agreement. Moreover, the regional joint bodies may consult the Unédic technical services "*in the event of difficulty in interpreting the unemployment insurance regulations and of its implementing agreements*".

The regional joint bodies, regarded as the local or regional arm of the social partners managing the unemployment insurance scheme, had their terms of reference specified by the agreements of 19 February 2009, 6 May 2011 and 14 May 2014 (as amended) concerning unemployment benefit and their

¹² Art L. 5312-3 *Code du Travail*

²¹ Art. L. 5312-7 and L. 5422-24 of the Labour Code

implementing instruments. The regional joint bodies are thus partly substituted for the joint boards (commissions paritaires) and local offices of the Assédic unemployment benefit agencies.

The Issuer coordinates the action of the regional joint bodies, supporting and advising them in the fulfilment of their mission.

Subsidiaries of the Issuer

The Issuer does not own any subsidiary.

Administrative and management bodies

Description & composition of the Issuer's administration and management bodies

The Issuer is a jointly managed institution featuring equal representation on its management bodies between the representatives of national organisations representing employers and the representations of inter-industry organisations representing employees. It is administered by a Board of Directors and an Executive Committee. The Issuer's general management functions are performed by a Managing Director.

A. Description of the Issuer's administration and management bodies

(1) The Board of Directors

The Board of Directors has joint and even-handed representation of a panel of employers and a panel of employees each consisting of twenty-five (25) representatives.

The panel of employers is composed of the *Mouvement des Entreprises de France* (MEDEF), the *Confédération des PME* (CPME) and the *Union des entreprises de proximité* (U2P).

The employees' panel is composed of the Confédération Française Démocratique du Travail (CFDT), the Confédération Française de l'Encadrement - Confédération Générale des Cadres (CFE-CGC), the Confédération Française des Travailleurs Chrétiens (CFTC), the Confédération Générale du Travail (CGT), and the Confédération Générale du Travail - Force Ouvrière (CGT-FO).

The Board of Directors enjoys the widest powers for operations in keeping with the Issuer's corporate object. In particular, it may draw up all internal regulations for implementing the issuer's articles of association, make any amendments to the articles of association, enforce those articles of association and regulations in particular cases that may arise, manage the resources of the Association and any fund to aid workers deprived of employment. The Board of Directors, pursuant to the Articles and Memorandum of Association, also performs the duties ordinarily incumbent on the General Meetings.

(2) The Executive Committee

The Executive Committee is composed with equal representation of the social partners of a maximum of ten (10) members chosen by the Board of Directors from among its members every two (2) years. It is chaired in the framework of alternating 2-year terms by a representative of the national employers' organisations and the representation of the employees' national trade union organisations.

The Chairman, failing whom a second or a third Deputy Chairman belonging to the same panel, ensures the smooth running of the Issuer, in accordance with the articles of association and its regulations and chairs the meetings of the Executive Committee and the Board of Directors, signs all the instruments, deliberations or agreements and represents the Issuer before the courts and in the acts of civil society.

The Executive Committee takes all the measures necessary for the smooth running of the Issuer's administrative affairs, sees to the due dispatch of its ordinary business, exercises any powers delegated to it by the Board of Directors and appoints the Managing Director.

(3) The Managing Director

The Issuer's Managing Director, appointed by the Executive Committee, is in charge of the proper operation of the Issuer's services. He performs his duties and represents the Issuer under powers delegated to him by the Executive Committee. He concludes collective labour agreements for application to all categories of staff covered by the unemployment insurance scheme and chairs the meetings of the staff representative bodies.

(4) The State supervisor

The Issuer is supervised by a State supervisor who sits on the Issuer's Board of Directors and Executive Committee in a consultative capacity.

B. Composition of the Issuer's administrative and management bodies

(1) Board of Directors

- Panel of employers sitting on the Board of Directors

MEDEF*Incumbent Panel Members*

Henri BEDIER
 Sophie SEBAH
 Xavier THOMAS
 Michel FARDIN
 Monique FILLON
 Pierre MARIN
 Hubert MONGON
 Pierre-Matthieu JOURDAN
 Eric LE JAOUEN
 Florence BUISSON-VINCENT
 Thierry MICOR
 François MIGAYROU
 Elisabeth TOME-GERTHEINRICH
 Jacques VESSAUD
 Sophie MONESTIER
 Dominique BOUQUET

Alternate Panel Members

Stanilas BETOUX
 Nicolas CUVIER
 Pierre-Yves DULAC
 Stephan GALY
 Frédéric LLORCA
 Thibault PIRONNEAU
 Yannick PELLETIER
 Wilson PIQUES
 Marie-Annick RAMBAUD

CPME*Incumbent Panel Members*

Eric CHEVEE
 Florian FAURE
 Jean-Michel POTTIER
 Loys GUYONNET
 Jean- Michel GAUTHERON

Alternate Panel Members

Sebastien ARCHI
 Valérie MONIER
 Manon LEDEZ
 Thierry GREGOIRE

U2P*Incumbent Panel Members*

Christophe DESMEDT
 Michel PICON
 Patrick MIAS

Alternate Panel Members

Pierre BURBAN
 Marc SABEK

- Panel of employees sitting on the Board of Directors

CFDT

Incumbent Panel Members

Marylise LEON
Patricia FERRAND
Jean-Luc MICHEL
Géraldine CORNETTE
Séverine GARNDEAU-MARTIN

Alternate Panel Members

Amor GHOUMA
Chantal RICHARD
Thierry BAILLEU

CFE-CGC

Incumbent Panel Members

Didier DERNONCOURT
Christine DIEBOLD
Jean-François FOUCARD
Paul HOUSSMANN
Franck MIKULA
Bertrand MAHE

Alternate Panel Members

Michel DAVRIL

CFTC

Incumbent Panel Members

Martial GALOUZEAU DE VILLEPIN
Eric COURPOTIN
Yves RAZZOLI
Claude GRATEAU
Dominique BERNARD

Alternate Panel Members

Maryse FOURCADE
Audrey IACINO
Noëlle BRISINGER

CGT

Incumbent Panel Members

Stéphane FUSTEC
Denis GRAVOUIL
Kheira BOULOU
Philippe TIXIER
Muriel WOLFERS
Bruno BOTHUA

Alternate Panel Members

Léa WALKOWIAK
Claire LALANNE

FO

Incumbent Panel Members

Michel BEAUGAS
Nathalie CAPART
Nicolas CARMi
Françoise CHAZAUD
Arnaud PICHOT

Alternate Panel Members

Michel CAMERA
Laure DOUCIN
Myriam BARNEL

Eric LE JAOUEN is the Chairperson of Unédic's Board of Directors.

Patricia FERRAND is the 1st Deputy Chairperson of Unédic's Board of Directors.

The members of the Issuer's Board of Directors can be contacted at the Issuer's registered office:
4 rue Traversière, 75012 Paris, France.

(2) The Executive Committee

Eric LE JAOUEN - MEDEF	Chairperson
Patricia FERRAND – CFDT	1 st Deputy Chairperson
Jean-Michel POTTIER – CPME	2 nd Deputy Chairperson
Eric COURPOTIN – CFTC	3 rd Deputy Chairperson
Jean-François FOUCARD – CFE – CGC	Treasurer
Michel PICON – U2P	Deputy Treasurer
Michel BEAUGAS - FO	Assessor
Denis GRAVOUIL – CGT	Assessor
Elisabeth TOMÉ-GERTHEINRICHES – MEDEF	Assessor
Hubert MONGON – MEDEF	Assessor

(3) General management

The Executive Committee members meeting of 26 March 2020 appointed Christophe VALENTIE as Unédic's new Managing Director. Pursuant to the decisions of the Executive Committee's members as of 28 April 2020, Christophe VALENTIE took up his duties on 15 June 2020.

Rémy MAZZAOCCHI is the Issuer's Deputy Managing Director.

The members of the Issuer's Executive Committee and Board of Directors can be contacted at the Issuer's registered office: 4 rue Traversière, 75012 Paris, France.

(4) State Supervisor

The issuer is under the supervision of Laurent MOQUIN.

Overall remuneration of the members of the Issuer's management and control bodies

The members of the Issuer's management and control bodies, and more generally the members of the Executive Committee and of the Board of Directors, do not receive any remuneration for the duties they perform for the Issuer. The organisations to which they belong receive an indemnity to offset the costs incurred while fulfilling their mandates on behalf of the public unemployment benefits service.

Offices held by members of the Issuer's management and control bodies in other businesses

With the exception notably of Eric Le Jaouen, founder and managing director of human resources consulting firm Ginkgo, most of the members of the Executive Committee conduct their main activities within the organisations that they represent in the management and administration bodies of the Issuer, within the contractual scheme and according to the rules defined by the social partners.

Conflicts of interest – agreements between the Issuer and any legal entity having common senior managers with the Issuer

The Issuer has not identified any person who is a member of its administrative and management bodies who may have a conflict of interest between (i) its duties to the Issuer and (ii) that person's private interests among others.

It should be noted that the Issuer has issued internal regulations governing procurement and other contracts in order to prevent any conflict of interest particularly within its administrative and management bodies. These

internal regulations contain a number of recommendations and specify a number of incompatibilities for purposes of the award by the Issuer of procurement and other contracts.

Expenses under agreements relating to the Issuer's financial contribution to trade and employer unions' costs arising from their employees' participation in the management of the unemployment insurance system were renewed in respect of 2021 during a Board of Directors' meeting held on 28 January 2021.

The Issuer has not concluded any agreement with the companies/enterprises listed in the above-mentioned paragraph.

Main shareholders

Nil.

Financial information concerning the Issuer's net assets, financial position and results

Date of latest financial information

The latest elapsed financial year of the Issuer for which the annual financial statements and consolidated annual financial statements have been audited by the statutory auditors is the year ended 31 December 2019.

Amount of net worth not carried forward from the end of the last financial year

The amount of net worth not carried forward at the end of the Issuer's last financial year consists solely of its global loss carried forward of €35.23 billion as at 31 December 2019.

Total amount of the issuer's commitments and the breakdown by maturity

Maturity on 31 December 2019 of the balance on debts and provisions at 31 December 2019

	Current charges considered as maturing in less than 1 year	Maturing in between 1 and 5 years	Maturing after more than 5 years	TOTAL
<i>in millions Euros</i>				
Provisions for risks	106	2	15	123
Debts	14,992	14,750	16,750	46,492
Debtore loans	1,714	11,650	16,750	30,114
Bank and credit establishment loans	8,077	3,100		11,177
Bank overdrafts	-		-	-
Misc. financial debts	-			-
Creditor affiliates	305			305
Debtor beneficiaries	3,023			23,023
Tax and social welfare debts	150			150
Trade debts	8			8
Other debts	1,715			1,715
Prepayments	156			156
Total debts and prepayments	15,148	14,750	16,750	46,648

TOTAL	15,254	14,752	16,765	46,771
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The total outstanding benefits due from the Public Unemployment Benefits Service to eligible beneficiaries registered at the end of the 2019 financial year has been evaluated by Unédic's Department of Studies and Analysis to be €27.456 billion. This amount does not include benefits due to those who are beneficiaries of a compensation maintenance scheme until their retirement.

Outstanding benefits due from Public Unemployment Benefits Service to beneficiaries entitled to retain indemnification concern jobseekers who may under certain circumstances, continue receiving benefits until retirement age. The total benefits due to these beneficiaries registered at the end of the 2019 financial year have been evaluated by Unédic's Department of Studies and Analysis to be €681 million.

Collateral provided for securities previously issued by the Issuer

No outstanding bond issues at the date of this Information Memorandum are the subject of any guarantees; being specified that the bonds issues achieved since 2013 referred to in section "Previous bond issues" below) are guaranteed by the French State (see the section "*Description of the Guarantee*" below).

Significant information extracted from the issuer's provisional financial statements

The Issuer does not draw provisional financial statements.

Significant changes in the Issuer's financial or commercial situation

With the exception of what is set out in the Information Memorandum, and in particular regarding the impact of Covid-19, there has been no change in the Issuer's financial situation since 31 December 2019 of significance for the issue of the Notes. It should nevertheless be recalled that, in France, the Issuer is a unique institution responsible for managing the unemployment insurance scheme. Consequently, the Issuer is permanently affected by national and even international macroeconomic trends. The Issuer is directly affected by French general economic trends. Since 31 December 2019 (the date of its latest audited and published financial statements), the trends affecting the Issuer were as follows:

- The reduction in the French unemployment rate to 8.1% at the end of 2019, that is, its lowest level since 2008 (INSEE data, February 2020, all of France) and the decrease in the number of jobseekers (categories A, B, C) by 1.6% in the last quarter of 2019 and 3.0% over one year (Pôle emploi data, January 2020, all of France);
- the economic growth rate, +1.2% in France in 2019, after +1.7% in 2018 (INSEE data, January 2020), and hence decent growth in the amount of contributions paid to the Issuer.
- finance for supplementary needs generated by these developments, which required:
 - (i) maintaining the Issuer's *Titres Négociables à Court Terme* (Short-Term Negotiable Notes) programme (details of applications at 31 December 2019 shown hereunder), which is capped at 18 billion euros (pursuant to the decisions of the Issuer's Board of Directors on 30 June 2020);
 - (ii) maintaining the Issuer's *Titres Négociables à Moyen Terme* (formerly called *bons à moyen term négociables* (Medium-Term Negotiable Notes)) programme (details of applications at 31 December 2016 shown hereunder), it being specified that during the meeting held on 30 June 2020, the Issuer's Board of Directors confirmed the limit on this amount to be 10 billion euros;
 - (iii) bonds issues issued under the Programme (cf. paragraph "Significant agreements").

Significant agreements

The following are the significant agreements (other than agreements concluded in the normal course of business) to which the Issuer is a party and that may confer on the Issuer a right or obligation with significant incidence on the Issuer's capacity to fulfil the obligations incumbent on it under this Information Memorandum:

Previous bond issues

Within the framework of the present Programme, the Issuer has carried out the issue the following bonds issues:

- on 5 April 2013 for a total nominal value of €2,000,000,000 bearing interest at an annual rate of 2.250%, and maturing on 5 April 2023 (including the Tap issue of €500,000,000 achieved on 22 May 2014 consolidated with the initial €1,500,000,000 issue);
- on 20 February 2014 for a total nominal value of €2,500,000,000 bearing interest at an annual rate of 2.375% and maturing on 25 May 2024;
- on 16 April 2014 for a total nominal value of €2,150,000,000 bearing interest at an annual rate of 1.50% and maturing on 16 April 2021 (including the Tap issues of (i) €150,000,000 achieved on 30 October 2014 and (ii) €500,000 achieved on 14 December 2015 consolidated with the initial €1,500,000,000 issue);
- on 5 September 2014 for a total nominal value of €2,250,000,000 bearing interest at an annual rate of 0.875% and maturing on 25 October 2022 (including the Tap issues of (i) €250,000,000 achieved on 1 October 2015 and (ii) €500,000,000 achieved on 4 May 2016, consolidated with the initial €1,500,000,000 issue);
- on 17 February 2015 for a total nominal value of €3,000,000,000 bearing interest at an annual rate of 0.625% and maturing on 17 February 2025;
- on 21st October 2015 for a total nominal value of €2,000,000,000 bearing interest at an annual rate of 1.25% and maturing on 31st October 2027 (including the Tap issue of €750,000,000 achieved on 4 May 2016 consolidated with the initial €1,250,000,000 issue);
- on 4 November 2015 for a total nominal value of €1,000,000,000 bearing interest at an annual rate of 0.300% and maturing on 4 November 2021;
- on 3 March 2016, for a total nominal value of €2,250,000,000 bearing interest at the annual rate of 0.625% and maturing on 3 March 2026 (including the tap issue of €250,000,000 achieved on 20 June 2017 consolidated with the initial €2,000,000,000 issue),
- on 31 March 2016, for a total nominal value of €1,750,000,000 bearing interest at the annual rate of 0.250% and maturing on 24 November 2023,
- on 28 March 2017, for a total nominal value of €2,250,000,000 bearing interest at the annual rate of 1.250% and maturing on 28 March 2027 (including the Tap issue of €250,000,000 achieved on 31 August 2017 consolidated with the initial of €2,000,000,000,000 issue),
- on 20 April 2017, for a total nominal amount of €1,750,000,000 bearing interest at the annual rate of 1.500% and maturing on 20 April 2032 (including the Tap issue of €750,000,000 achieved on 30 August 2017 consolidated with the initial €2,500,000,000 issue),
- on 30 May 2018, for a total nominal amount of €2,000,000,000 bearing interest at the annual rate of 1.250% and maturing on 25 May 2033 (including the Tap issue of €1,000,000,000 achieved on 29 May 2019 consolidated with the initial €1,000,000,000 issue),
- on 3 October 2018, for a total nominal amount of €2,000,000,000 bearing interest at the annual rate of 0.875% and maturing on 25 May 2028 (including the Tap issue of €750,000,000 achieved on 31 March 2020 consolidated with the initial €1,250,000,000 issue),
- on 20 March 2019, for a total nominal amount of €1,500,000,000 bearing interest at the annual rate of 0.500% and maturing on 20 March 2029,
- on 5 March 2020, for a total nominal amount of €1,250,000,000 bearing interest at the annual rate of 0.00% and maturing on 5 March 2030,

- on 17 June 2020, for a total nominal amount of €4,000,000,000 bearing interest at the annual rate of 0.250% and maturing on 25 November 2029,
- on 16 July 2020, for a total nominal amount of €2,000,000,000 bearing interest at the annual rate of 0.250% and maturing on 16 July 2035,
- on 15 October 2020, for a total nominal amount of €3,000,000,000 bearing interest at the annual rate of 0.00% and maturing on 25 November 2028,
- on 19 November 2020, for a total nominal amount of €2,500,000,000 bearing interest at the annual rate of 0.00% and maturing on 19 November 2030.

The bond issues carried out since 1 January 2019 were partly used for the purpose of the management of the Issuer's financing needs (see Chapter "Use of proceeds" above and paragraph "Issue of *Titres Négociables à Court Terme* (Short-Term Negotiable Notes)" below).

Credit facility agreements

No credit line is currently opened.

Issue of *Titres Négociables à Court Terme* (Short-Term Negotiable Notes)

The Issuer has a *Titres Négociables à Court Terme* programme whose limit for outstanding amount is of €18 billion (pursuant to the decisions of the Issuer's Board of Directors dated 28 January 2021). The *Titres Négociables à Court Terme* programme was used, as at 31 December 2019, up to an amount of €6.225 billion and, as at 31 December 2020, up to an amount of €11.825 billion. As required by the regulations, annual updates regarding this programme have been supplied to the Banque de France. It is currently rated P-1 (Moody's Investors Service Limited) and F1+ (Fitch France S.A.S.).

Titres Négociables à Moyen Terme (NEU MTN)

The Issuer has a *Titres Négociables à Moyen Terme* (NEU MTN, formerly called *Bons à Moyen Terme Négociables* (Medium-Term Negotiable Notes)) programme whose limit for the outstanding amount is €10 billion (under the terms of decision taken by the Board of Directors of the Issuer dated 28 January 2021). The issuance of such notes, whose maturity must be legally greater than one year, is intended to cover the part of the interest rate curve not covered by the euro medium term note programme and the *Titres Négociables à Court Terme* programme.

The Issuer's NEU MTN programme was used up to an amount of €4.950 billion as at 31 December 2019, and up to €7.100 billion as at 31 December 2020. It is currently rated Aa2 (Moody's Investors Service Limited) and AA (Fitch France SAS).

RECENT DEVELOPMENTS

At various meetings held on 26 March, 28 April, 18 June and 21 October 2020, Executive Committee members presented the regulatory and operating measures taken in the context of Covid-19 with respect to the unemployment insurance system and the effects of such measures at the end of 2021.

The principal measures relate to (i) the scope of wage subsidies (*activité partielle*) and unemployment benefits (ARE), and (ii) collection of contributions and the organisation of the benefit payment service.

The Executive Committee also assessed the arrangements seeking to maintain the sustainability of the financing for the unemployment insurance system and the secured steering of its financial trajectory in order to allow the unemployment insurance system to continue to fully play its role as an economic and social shock absorber.

At a meeting held on 21 October 2020, the members of the Executive Committee updated the financial forecasts of the unemployment insurance system for 2020-2021. The presentation of a financial situation forecasting at the end of the year is unprecedented in comparison with previous forecasting presentations produced by Unédic for the management of the system. The absence of any reference in economic history and the lack of hindsight to analyse and forecast the economic consequences of a crisis of this magnitude explains the particularly high level of uncertainty surrounding the financial year.

(i) Regulatory measures

Wage-subsidies (*activité partielle*)

In order to facilitate the continued employment of employees suffering from the consequences of the health crisis, the public authorities decided to (i) simplify the steps for benefiting from the wage subsidy program, (ii) improve the financial burden with State/Unédic co-financing arrangements and (iii) extend the benefit of the arrangements to new populations.

In the context of the Covid-19 crisis, the existing part-time scheme was modified. In particular, the Order of 27 March 2020 as amended by Order of 22 April 2020 set up a temporary social scheme for part-time allowance paid to employees as from the employment periods from March until a date set by decree and no later than 31 December 2020.

The scheme is financed 33% by Unédic and 67% by the State.

The social security budget law No. 2020-1576 of 14 December 2020 for 2021 extends, as of 1 January 2021, the social security regime for the legal contribution (art. 8, III and VII) and the supplementary contribution paid by employers to employees in part-time for periods of employment in 2021 only (art. 8, IV).

Unemployment benefits (ARE) and other replacement income

In light of the deferment of the effective date of the new methods for determining eligibility for unemployment benefits (ARE) (duration, amount, payment date) to 1 April 2021, the corresponding rules arising from the 14 April 2017 unemployment insurance agreement and its implementing texts continue to apply until 1 April 2021. The new measures relating to the new method of calculating the daily reference salary, which should have become effective 1 April 2020, were expected to reduce the Issuer's expenditures by approximately €300 million in 2020.

In addition, the period during which various replacement income (various types of unemployment benefits (ARE) and solidarity allowances specifically directed to casual workers in the entertainment industry) was to be paid was extended, starting 12 March 2020 and until 31 May 2020, subject to exceptions (i.e. until 30 June 2020 for ARE in Mayotte and up to 31 August 2020 at the latest for the ARE of intermittent workers in the entertainment sector).

Contributions

Exceptional measures by the URSSAF network are to take place in order to help employers by allowing them to defer the payment of social security contributions for three months and by suspending enforced collection

procedures. This procedure also applies to unemployment insurance contributions and AGS contributions collected by URSSAF and CGSS pursuant to article L. 5427-1 of the French Labour Code.

After the first stay-at-home period, Article 65 of the amended budget law n°2020-935 for 2020 as of 30 July 2020 provided, under certain conditions, a full temporary exemption from employer's contributions mentioned in I of Article L. 241-13 of the Social Security Code, for micro-enterprises (less than 10 employees) and a partial release of employer's contribution debts for SMEs.

Unédic must be compensated, by the collection agencies, for the contributions from which employers are exempted:

- For AcoSS and CCMSA, this compensation is provided for in an agreement,
- for Pôle emploi services and the CPS, Unédic must be informed of the exempted amounts for the year 2020, so that it can invoice the State.

Following the second stay-at-home period, article 9 of the social security budget law n° 2020-1576 of 14 December 2020 for 2021 has introduced an exemption system for specific sectors. These measures are similar to those implemented under the first stay-at-home period.

Finally, the contribution payment schemes instituted during the two stay-at-home periods in order to support companies affected by the health crisis and implemented by ACOSS and CCMSA will be "compensated" to Unédic by a full repayment of the amount of contributions paid according to the payment scheme by these two bodies (art. 7 of the social security budget law for 2021).

Other effects and summary of the financial impact estimates

With respect to expenditures, the financing of the wage-subsidy programme, the payment of benefits to 100% of beneficiaries under short-term contracts, the postponement of the end of unemployment benefit entitlements in light the halt in various economic activities, the extended payment of benefits to certain categories of jobseekers and, finally, additional expenses (in particular payments to supplemental retirement funds) are measures whose most significant effects are expected to impact the Issuer's expenditures in the short term.

Regarding revenues, these will be impacted by the decrease in unemployment insurance contributions and the employment income based general social contribution, and by a lag in employers' contribution payment due dates.

The financial perspectives adopted by the Executive Committee on 18 June 2020 were revised by the members of the Executive Committee on 21 October 2020. On 18 June, Unédic forecasted a deficit at the end of 2020 of €25.7 billion. This forecast has been revised downwards to €18.7 billion, taking into account in particular (i) the improvement in the level of activity in the second and third quarters of 2020, (ii) contribution deferrals less significant than estimated by AcoSS in the spring (i.e. nearly € 1.1 billion should be collected in 2020 in comparison with what was anticipated) and (iii) the overestimation of first forecasts of part-time activity (i.e. overestimated expenditure of approximately € 0.7 billion).

The deficit would amount to €18.7 billion at the end of 2020 (whereas in February 2020, the forecast deficit for the year 2020 was -€0.9 billion) and to €9.7 billion at the end of 2021, this deterioration being mainly derived from the effects of the Covid-19 crisis. This deficit is mainly the result of three factors: for 57.2% of the financing of the part-time activity (€10.2 billion, of which €8.3 billion is expenditure and €1.9 billion is a drop in revenues), for 28.2% of unemployment indemnification (€5.0 billion, of which €3.8 billion is additional compensation expenditure and €1.2 billion is emergency measures in relation with compensation measures), and for 14.6% of the other items weighing on revenues (lower activity for €1.2 billion and €1.4 billion in contribution deferrals). The €18.7 billion deficit anticipated for 2020, which is unprecedented in the history of the unemployment insurance system, would bring the debt at the end of 2020 to €55.5 billion.

These forecasts are based on the growth forecast of the Economists' Consensus of 15 October and take into account the effects of the unemployment insurance system's reform on 1 January 2021, as announced as per Decree No. 2020-929 of 29 July 2020, and the estimated effects of the economic recovery plan.

In view of the uncertainties in the current context, Unédic estimates a possible margin of error of around €2 billion with respect to the financial forecast for the end of 2021.

This amount may be reassessed as appropriate, depending on the measures that may be taken by the public authorities in light of how the health situation evolves, it being understood that the updating of such estimates will be undertaken by the Issuer in the framework of its forecasting work as the manager of the unemployment insurance system.

(ii) Operating measures

Organisation of the collection bodies

Pursuant to government guidelines and in light of the emergency situation, exceptional measures were put in place by the collection bodies:

- Acoess and the URSSAF network announced the deferral of some or all unemployment insurance contributions due between March and June 2020, the suspension of direct debits planned during three months, the staggering of amounts due where instalment payments were due by the employer, the suspension of all collection proceedings and reminders preceding the month of March. Similar measures were taken by the Caisse centrale de la MSA (CCMSA).
- Pôle emploi requested to be able to apply the same decisions as those implemented by Acoess and for an authorisation to repay electronic payments carried out by companies which desired to be reimbursed the amounts paid in view of the three-month deferral.

Organisation of Pôle emploi

Starting 23 March 2020, Pôle emploi announced that it would go “all digital”, with the closing of its branches welcoming the public. Pôle emploi implemented its business continuity plan, which lists the essential activities carried out remotely and digitally. In addition, certain crisis management operating measures were put in place (suspension of joint bodies and the procedure relating to the management of overpayments, maintaining end of training benefits (*remuneration de fin de formation*) and Pôle emploi training benefits (*rémuneration de formation de Pôle emploi*). Other potential measures are being analysed and discussed.

Issuer’s financial strategy in light of Covid-19

On 28 January 2021, the Issuer’s Board of Directors approved the financial strategy in anticipation of a positive economic cycle. Covid-19 and the recent political decisions seeking to curb its spread should impact the economy in unprecedented proportions and have effects that are difficult to anticipate regarding contribution amounts and the amount of benefit expenditures in 2021. Financing needs should also cover the above-mentioned effects of the “emergency plan” measures.

To face up to the situation, the Issuer possesses its financing tools (i.e., NEU CP, NEU MTN and EMTN programmes) and a liquidity cushion.

In order to secure the needs, the Board of Directors of 28 January 2021 increased the maximum amount of this EMTN programme from €50 billion euros to €60 billion.

State/Unédic steering committee

Starting 31 March 2020, the social partners who manage Unédic put in place a steering committee, including representatives of the Délégation Générale à l’Emploi et à la Formation Professionnelle (DGEFP), Pôle emploi and representatives of the Minister of the Economy and even the Prime Minister’s office as necessary.

The purpose of this steering committee is to regularly monitor the wage-subsidy programme and the payment of unemployment benefits, as well as to have discussions on the development of the measures, notably in respect of the financial impacts on the Issuer.

For more information, (i) the complete memorandum from the Issuer’s Executive Committee on the continuity and control of the steering of the unemployment insurance system (points of reference on the Covid-19 measures and their effects) dated 26 March 2020, (ii) the memorandum from the Issuer’s Executive Committee on the monitoring of Covid-19’s effect on the unemployment insurance system (first observed effects and estimates for the coming months) dated 28 April 2020, (iii) the memorandum from the Issuer’s Executive Committee on the

financial situation of the unemployment insurance system presenting the 2020 forecast and the consequences of the Covid-19 crisis as of 18 June 2020; and (iv) the memorandum from the Issuer's Executive Committee on the financial situation of the unemployment insurance system for 2020-2021 dated 21 October 2020, which are incorporated by reference to this Information Memorandum, are available using the following links:

[https://www.unedic.org/sites/default/files/2020-](https://www.unedic.org/sites/default/files/2020-03/Note%20Unedic%20Continuit%C3%A9%20du%20pilote%20AC_COVID19%20%20VF.PDF)

[03/Note%20Unedic%20Continuit%C3%A9%20du%20pilote%20AC_COVID19%20%20VF.PDF](https://www.unedic.org/sites/default/files/2020-03/Note%20Unedic%20Continuit%C3%A9%20du%20pilote%20AC_COVID19%20%20VF.PDF)

<https://www.unedic.org/sites/default/files/2020-04/Note%20Unedic%20Suivi%20effets%20COVID19%20-%20Bureau%20du%2028%20avril%202020%20Vf.pdf>

[https://www.unedic.org/sites/default/files/2020-](https://www.unedic.org/sites/default/files/2020-06/PREV%202020%20COVID_18%2006%2020_%20Note%20FINALE.PDF)

[06/PREV%202020%20COVID_18%2006%2020_%20Note%20FINALE.PDF](https://www.unedic.org/sites/default/files/2020-06/PREV%202020%20COVID_18%2006%2020_%20Note%20FINALE.PDF)

<https://www.unedic.org/publications/previsions-financieres-de-lunedic-octobre-2020>

Any decision relating to potential evolutions in the emergency measures that would be liable to affect the Issuer's situation will be the subject matter of an update to this Information Memorandum.

DESCRIPTION OF THE GUARANTEE

Pursuant to Article 201 of 2021 budget law no. 2020-1721 dated 29 December 2020, the borrowings (principal and interest) subscribed by the Issuer in 2021 may benefit from the guarantee of French State, up to an aggregate limit of €13 billion in principal, as was the case with the guarantees granted by the French state to the borrowings subscribed by the Issuer in 2019 (€2.5 billion) and 2020 (€15 billion).

The Final Terms prepared in respect of any issue of Notes will specify whether or not the Notes will benefit from the guarantee of the French State (the “**Guarantee**”), under the terms described in "Description of the Guarantee" and in the relevant Final Terms.

Pursuant to Article 201 of the above mentioned law, the Guarantee was granted in respect of the bonds that will be issued by Unédic in 2021 within the context of the Programme in 2021, subject to a maximum overall amount of €8 billion in principal (plus all interest and related expenses), pursuant to an order of the Minister of the Economy, Finance and Recovery dated 13 January 2021, being specified that, a new tranche (within the limit of €5 billion) shall be granted by order of the Minister of the Economy, Finance and Recovery for any issue exceeding the cap fixed by the order dated 13 January 2021.

In respect of this Guarantee if the Issuer does not fulfil its obligations to repay the principal or pay any amount of interest due in respect of the Notes, the French State will fulfil these repayment and payment obligations on first demand as they become due.

The obligations of the French State under the Guarantee will rank *pari passu* with present, future, direct, unconditional, unsubordinated and unsecured obligations of the French State.

Pursuant to Article 1 of law no. 68-1250 dated 31 December 1968 on prescription periods including those relating to claims on the French State, any demand for payment by the French State, and therefore including demands for payments pursuant to the guarantee, is extinguished following a period of four years as from the 1st of January in the year following the date on which the guaranteed amounts become due. Under French law at the date of this Information Memorandum, the French State's assets cannot be subject to execution or other enforcement proceedings of private law in France.

FORM OF FINAL TERMS**Final Terms dated [●]**

[LOGO, if document is printed]

Unédic

Issue of [**Aggregate Nominal Amount of Tranche**] [**Title of Notes**]
[**benefiting from the guarantee of the French State**]²²
under the €60,000,000,000 Euro Medium Term Note Programme
of Unédic

Series No.: [●]**Tranche No.: [●]**

Issue Price: [●] per cent.

[Name(s) of Dealer(s)]

²² Only applicable to Guaranteed Notes.

PRIIPs Regulation / Prohibition on sale to retail investors established within the European Economic Area

– The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area.

For the purposes of this paragraph, a retail investor shall mean a person meeting any of the following criteria: (i) a retail client as defined in item (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a client within the meaning of Directive 2016/97/EU where the client is not classified as a professional client as defined in item (10) of Article 4(1) of MiFID II, or (iii) an investor who is not a qualified investor within the meaning of the Prospectus Regulation. Accordingly, no key Information Memorandum stipulated under Regulation (EU) No. 1286/2014 (as amended, the "PRIIPs Regulation") in order to offer or sell the Notes or to make them available to retail investors within the European Economic Area has been prepared and, consequently, offering or selling the Notes or making them available to any retail investor within the European Economic Area may be prohibited in accordance with the PRIIPs Regulation.

PRIIPs – PROHIBITION ON SALE TO RETAIL INVESTORS ESTABLISHED IN THE UK

– The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For the purposes of this paragraph, a "retail investor" shall mean a person meeting any (or several) of the following criteria: (i) a "retail client", as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a "customer" within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "FSMA") and any rules or regulations adopted under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Prospectus Regulation, as it forms part of UK domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014, as it forms part of UK domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be prohibited under the UK PRIIPs Regulation. "

[Governance of MiFID II products / Target Market: eligible counterparties and professional clients only

– Solely for the purposes of the approval process of each product manufacturer, by taking into consideration the 5 categories referred to in item 18 of the Orientations published by the European Securities and Markets Authority on 5 February 2018, the assessment of the target market for the Notes led to the conclusion that: (i) the target market for the Notes concerns eligible counterparties and professional clients only, as defined in MiFID II, and (ii) all distribution channels for the Notes to eligible counterparties or professional clients are appropriate. Any person offering, selling or ultimately recommending the Notes (a distributor) must take into consideration the target market of the manufacturer(s). However, distributors subject to MiFID II are required to make their own assessment of the target market of the Notes (by adopting or extending the assessment of the target market conducted by the manufacturer[s]) and to determine appropriate distribution channels.]

[UK MiFIR product governance: eligible counterparties and professional clients

– Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 (in accordance with the FCA's policy statement entitled "Brexit our approach to EU non-legislative materials"), has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS") and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("UK MiFIR") and (ii) all channels for distribution to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

PART A – CONTRACTUAL TERMS

The terms used herein shall be deemed to be defined as such for the purpose of the Terms and Conditions set forth in the Information Memorandum dated 5 June 2020.

This document constitutes the Final Terms relating to the issue of the Notes described hereafter and contains the definitive terms of the Notes. These Final Terms supplement the Information Memorandum dated 5 June 2020 relating to Issuer's Note issuance programme and must be read in conjunction therewith.

The Final Terms and the Information Memorandum (as amended, as the case may be) are available on the Issuer's website (www.unedic.org), and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained. [In addition²³, the Information Memorandum [and the update to the Information Memorandum] [is] [are] available at [●].]

[The following is applicable if the first tranche of an issue, which amount has been increased has been issued under an Information Memorandum (or, as the case may be, under a base prospectus) with an earlier date].

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Information Memorandum [or the base prospectus (as the case may be)] dated [●] (the "**Original Information Memorandum**" or the "**Original Base Prospectus**").

This document constitutes the Final Terms relating to the issue of the Notes described herein and must be read in conjunction with the Information Memorandum dated 5 June 2020 (the "**Current Information Memorandum**"), except in respect of the Conditions which are extracted from the Original Information Memorandum [or the Original Base Prospectus (as the case may be)] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the Final Terms, the Original Information Memorandum [or the Original Base Prospectus (as the case may be)] and the Current Information Memorandum.

The Final Terms, the Original Information Memorandum [or the Original Base Prospectus (as the case may be)] and the Current Information Memorandum are available on the Issuer's website (www.unedic.org) [and] during normal business hours, at the registered office of the Issuer and at the specified office of the Paying Agent(s) where copies may be obtained. [In addition²⁴, the Final Terms, the Original Information Memorandum and the Current Information Memorandum are available for viewing [on/at] [●].]

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

²³ If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.

²⁴ If the Notes are admitted to trading on a Regulated Market other than Euronext Paris.

1. **Issuer:** Unédic
2. **Guarantee:** [Applicable/Not Applicable]
(If applicable, include the paragraph below)
 [Guarantee of the French State granted under Article 201 of 2021 budget law no. 2020-1721 dated 29 December 2020 and the order of the Minister of the Economy, Finance and Recovery dated 13 January 2021 published in the *Journal Officiel de la République française* on 16 January 2021. *(Specify the provisions of the order of the Minister for the Economy and Finance).*]
3. **[(i) Series Number:** [●]
[(ii) Tranche Number: [●]
(If fungible with an existing Tranche, details of that Series, including the date on which the Notes become fungible)]
4. **Specified Currency(ies):** [●]
5. **Aggregate Nominal Amount:**
[(i) Series: [●]
[(ii) Tranche: [●]]
6. **Issue proceeds:**
(i) Gross issue proceeds: [●]
(ii) Estimated net issue proceeds: [●]]
7. **Issue Price:** [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* *(for fungible issues if applicable)*]
8. **Denomination:** [●]
9. **Number of Notes issued:** [●]
10. **(i) Issue Date:** [●]
(ii) Interest Commencement Date: *[Specify/Issue Date/Not Applicable]*
11. **Maturity Date:** [●]*[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]*
12. **Interest Rate:** [[●] per cent. Fixed Rate]
 [[*specify reference rate*] +/- [●] per cent. Floating Rate]
(further particulars specified below)
13. **Redemption/Payment Basis:** [Redemption at par]
 [Other (*specify*)]
(further particulars specified below)
14. **Change of Interest Basis or Redemption/Payment Basis:** *[Specify details of any provision for convertibility of Notes into another interest basis or redemption/payment basis]*
15. **Option:** [Issuer Call / Not Applicable]

- 16 Date of authorisations for issuance of Notes:** Decision of the Board of directors dated 31 January 2018
(Pursuant to Article D.213-19 of the French Code monétaire et financier; describe the decision of the Board of directors and how long it is valid for)
- 17. Method of distribution:** [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST PAYABLE

- 18 Fixed Rate Notes Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Rate of Interest: [●] per cent. *per annum* [payable [annually / semi-annually / quarterly / monthly / other (*specify*)] in arrear]
 - (ii) Interest Payment Date(s): [●] in each year
[adjusted pursuant to the [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*]/ unadjusted]
 - (iii) Fixed Coupon Amount(s): [●] per [●] in Denomination
 - (iv) Broken Amount(s): [Not Applicable / *Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)*]
 - (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / other]
 - (vi) Determination Dates: [●] in each year
(insert regular Interest Payment Dates, ignoring Issue Date or Final Maturity Date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))
 - (vii) Other terms relating to the method of calculating interest: [Not Applicable/*give details*]
- 19. Floating Rate Notes Provisions:** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Interest Period(s): [●]
 - (ii) Specified Interest Payment Dates: [●]
 - (iii) First Interest Payment Date: [●]
 - (iv) Interest Period Date: [Interest Payment Date/Other (*specify*)]
 - (v) Business Day Convention: [Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (*give details*)]
[Insert "unadjusted" if the application of the relevant business day convention is not intended to affect the Interest Amount]

- (vi) Business Centre(s) /Not Applicable]
(Condition 4(a)):
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [FBF Determination/ ISDA Determination/ Screen Rate Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent):
- (ix) FBF Determination: [Applicable/Not Applicable]
- Floating Rate (*Taux Variable*): (*specify Benchmark [EURIBOR, EONIA, LIBOR, CMS, TEC or other] and months [e.g. EURIBOR 3 months] (additional information if necessary)*)
 - Floating Rate Determination Date (*Date de Détermination du Taux Variable*):
 - Replacement of the benchmark (Article 6(c)(iii)(D)): [Applicable/Not Applicable]
 - FBF Definitions (if different from those set out in the Conditions):
- (x) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option:
 - Designated Maturity:
 - Reset Date:
 - ISDA Definitions (if different from those set out in the Conditions):
- (xi) Screen Rate Determination: [Applicable/Not Applicable]
- Benchmark: (*specify Benchmark [EURIBOR, EONIA, LIBOR, CMS, TEC or other] (additional information if necessary)*)
 - Relevant Time:
 - Interest Determination Date(s):
 - Primary Source: [*Specify relevant screen page or "Reference Banks"*]
 - Reference Banks (if Primary Source is "Reference Banks"): [*Specify four*]
 - Relevant Financial Centre: [*The financial centre most closely connected to the Benchmark - specify if not Paris*]

- Representative Amount: *[Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]*
 - Effective Date: *[Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]*
 - Specified Duration: *[Specify period for quotation if not duration of Interest Accrual Period]*
- (xii) Margin(s): *[+/-] [●] per cent. per annum*
- (xiii) Minimum Rate of Interest: *[0%/[●] % per annum]*
- (xiv) Maximum Rate of Interest: *[Not Applicable/[●] per cent. per annum]*
- (xv) Day Count Fraction: *[●]*
- (xvi) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: *[●]*

PROVISIONS RELATING TO REDEMPTION

- 20. Call Option:** *[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): *[●]*
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): *[●] per Note of [●] Denomination*
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: *[●]*
- (b) Maximum Redemption Amount: *[●]*
- (iv) Exercise date(s): *[●]*
- (v) Notice period²⁵: *[●]*

²⁵ If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the Issuer and the Fiscal Agent.

21. **Final Redemption Amount of each Note:** [] per Note of [] Denomination/Other (specify)

22. **Early Redemption Amount:**

(i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same and/or any other terms (if required or if different from that set out in the Conditions): []

(ii) Redemption for tax reasons at dates not equating to Coupon Payment Dates [Yes/No]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. **Form of Notes:**

- (i) Form of Notes: Dematerialised Notes in [bearer form (*au porteur*)/ administered form (*au nominatif*)]
- (ii) Registration Agent: [Not Applicable/if applicable give name and address] (*Note that a Registration Agent can be appointed in relation to dematerialised Notes in fully registered form only*)

24. **Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 8(d):**

[Not Applicable/Give details. (*Note that this paragraph relates to the date and place of payment, and not interest period and dates, referred to in sub-paragraphs 18(ii) and 19(ii)*)]

25. **Redenomination, renominatisation provisions:**

[Not Applicable/The provisions [in Condition 1(d)] [annexed to these Final Terms] apply]

26. **Consolidation provisions:**

[Not Applicable/The provisions [in Condition 1(e)] [annexed to these Final Terms] apply]

27. **Masse (Condition 12):**

The name and address of the initial Representative of the *Masse* are:

[]

The name and address of the alternate Representative of the *Masse* are:

[]

The Representative of the Masse [will perceive a remuneration of € [] *per annum* with respect to its appointment as Representative / will not be remunerated with respect to its appointment as Representative].

DISTRIBUTION

28. (i) If syndicated, names of Managers: [Not Applicable/give names]
 (ii) Date of [subscription agreement]: [●]²⁶
 (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
29. If non-syndicated, name of Dealer: [Not Applicable/give name]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the [*specify relevant regulated market*] of the Notes described herein pursuant to the €60,000,000,000 Euro Medium Term Note Programme of Unédic.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [(*Relevant third party information*) has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]²⁷

Signed on behalf of Unédic:

By: _____
 Duly authorised

²⁶ Required only for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

²⁷ Include if third party information is provided, for example in compliance with Annex XII of the Prospectus Directive Regulation in relation to an index or its components, an underlying security or the issuer of an underlying security.

PART B – OTHER INFORMATION

1. ADMISSION TO TRADING

- (i) (a) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris/[●] *specify the relevant regulated market or non-regulated market*] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market or non-regulated market*]] with effect from [●].] [Not Applicable]
(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)
- (b) Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be admitted to trading are already admitted to trading: [[●]/Not Applicable]
- (ii) Estimate of total expenses related to admission to trading: [[●]/Not Applicable]
- (iii) Additional publication of the Information Memorandum and Final Terms: [●] *(See paragraph [●] of the section "General Information" of this Information Memorandum which indicates that the relevant Information Memorandum and Final Terms will be published on the Issuer's website. Please provide for additional methods of publication in respect of an admission to trading on a Regulated Market other than Euronext Paris.)*

2. RATINGS

- Ratings: [The Notes to be issued have been rated by Moody's Investors Service Limited and Fitch France S.A.S :
- [Moody's: [●]]
[Fitch: [●]]
[[Other]: [●]]
- [In accordance with Regulation (EC) No 1060/2009 dated 16 September 2009 of the European Parliament and of the Council, each of Moody's Investors Service Limited and Fitch France S.A.S. is included in the list of credit rating agencies published on the European Securities and Markets Authority's website.]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

3. THIRD PARTY INFORMATION

If advisors are mentioned in these Final Terms, specify the capacity in which the advisors have acted.

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

In addition, the Issuer shall identify the source(s) of the information.]

4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Need to include a description of any interest, including conflicting ones, that is material to the issue, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement: "Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for an update to the Information Memorandum.)]

5. REASONS FOR THE OFFER

Reasons for the offer:

[●] [specify] [social bonds]
[See "Use of Proceeds" in the Information Memorandum – if reasons for offer different from general corporate purposes will need to include those reasons here.]

[In addition, regarding social bonds, insert the link to the heading "Social Bond Framework" on the Issuer's website.]

6. [Fixed Rate Notes only – YIELD

Yield:

[●]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

7. [Floating Rate Notes only – HISTORIC INTEREST RATES AND BENCHMARK INDEXES

Details of historic [EURIBOR/EONIA/LIBOR/CMS/TEC/other] rates can be obtained from [Thomson Reuters].]

Benchmark indexes:

The amounts due in respect of the Notes shall be calculated with reference to [●] provided by [●]. As at [●], [●] [is included/is not included] on the register of administrators and benchmark indexes produced and maintained by ESMA in accordance with Article 36 du Regulation on Benchmark Indexes (Regulation (EU) 2016/1011) (the "**Benchmark Regulation**")/ on the register of administrators and benchmark indexes produced and maintained by FCA in accordance with Article 36 of the Benchmark Regulation, as it forms part of UK domestic law by virtue of the EUWA (the "**UK Benchmark Regulation**") / [N/A]]

8. OPERATIONAL INFORMATION

ISIN Code:	[●]
Common Code:	[●]
Depositories:	Euroclear France to act as Central Depository
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):	[Not Applicable/ <i>give name(s) and number(s) and address(es)</i>]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	BNP Paribas Securities Services Numéro Affilié Euroclear France: 29106 3-5-7 Rue Général Compans 93500 Pantin France
Names and addresses of additional Paying Agent(s) (if any):	[[●]/Not Applicable]

SUBSCRIPTION AND SALE

The Issuer may at any time, for one or more Tranches, appoint Dealers, pursuant to a subscription and dealer agreement (the “**Dealer Agreement**”). Subject to the terms and on the conditions contained in the Dealer Agreement, the Notes will be offered by the Issuer to the Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement (*Contrat de Placement*) will also provide for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it, unless otherwise agreed. The Issuer shall agree to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement (*Contrat de Placement*) shall entitle the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling restrictions

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers in particular following a change in a relevant law, regulation or directive. Any such modification will be the subject of an update to this Information Memorandum.

Each Dealer shall agree to comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Information Memorandum, any other offering material or any Final Terms and neither the Issuer nor any Dealer shall be liable for another Dealer's actions.

Prohibition on sale to retail investors established in the European Economic Area

Each Dealer must represent and warrant that it has not offered, sold or otherwise made available the Notes to retail investors in the European Economic Area.

For the purposes of these provisions:

- (a) The expression "retail investor" shall mean a person meeting any of the following criteria:
 - (i) a “retail client” as defined in item (11) of Article 4(1) of MiFID II; or
 - (ii) a “client” within the meaning of Directive 2016/97 (as amended, the "Insurance Mediation Directive, where the client is not classified as a professional client as defined in item (10) of Article 4(1) of MiFID II; or
 - (iii) an investor who is not a qualified investor within the meaning of 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 the Notes.

United Kingdom

Prohibition on sale to retail investors established in the United Kingdom

Each Dealer must represent and warrant that it has not offered, sold or otherwise made available the Notes, and that he do not intend to offer, sell or otherwise make available the Notes, which are the subject of the offers provided for in this Information Memorandum as supplemented by the applicable Final Terms, to retail investors in the United Kingdom.

For the purposes of these provisions:

- (a) The expression "retail investor" shall mean a person meeting any of the following criteria:

- (i) a “retail client” as defined in item (8) of Article 2 of Regulation (UE) 2017/565, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or
 - (ii) a “client” within the meaning of the provisions of the Financial Services and Markets Act (“FSMA”) and any rules or regulations taken under the FSMA in order to implement Directive (EU) 2016/97, where the client is not classified as a professional client as defined in item (8) of Article 2 of Regulation (EU) 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or
 - (iii) an investor who is not a qualified investor within the meaning of Article 2 of the UK 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 the Notes.

Other statutory restrictions

Each Dealer shall represent and agree that:

- (a) in relation to any Notes which have a maturity of less than one (1) year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or 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 (the "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 the provisions of Section 21(1) of the FSMA do 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.

United States of America

The Notes and any related guarantee have not been and will not be registered under the United States securities act of 1933, as amended (the "**Securities Act**") and, subject to certain exceptions, may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons, as defined in Regulation S under the Securities Act ("**Regulation S**"). Each Dealer appointed under the Programme shall be required to agree that, except as permitted by the Dealer Agreement, it will not offer nor sell Notes of any identifiable Tranche within the United States.

Each Dealer shall agree, except as permitted by the Dealer Agreement, it will not offer nor sell Notes of any identifiable Tranche within the United States or within its possessions, or to, or for the account or benefit of U.S. Persons (i) as part of their distribution at any time or (ii) otherwise until forty (40) days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager. Each Dealer shall send to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or within its possessions or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. In addition, until forty (40) days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering of such Tranche of Notes) may violate the registration requirements of the Securities Act.

This Information Memorandum has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers shall reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Information Memorandum does not constitute an offer to any person in the United States. Distribution of this Information Memorandum outside the United States by a U.S. Person to any U.S. person or to any other person within the United States is unauthorised and any disclosure without prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

France

Each of the Dealers and the Issuer shall declare and agree that [during the initial distribution of the Notes]²⁸ it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France (except to qualified investors as defined below) and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Information Memorandum, the relevant Final Terms or any other offering material relating to the Notes to investors other than qualified investors as defined in Regulation (EU) no. 2017/1129 (the Prospectus Regulation), as amended. The Prospectus Regulation does not apply to this Information Memorandum in accordance with article 1.2 d) and 1.2 e) of the Prospectus Regulation.

These selling restrictions may be amended. In such a case, these restrictions shall be specified in an updated version of this Information Memorandum.

²⁸ Only applicable for Notes admitted to trading on Euronext Paris

GENERAL INFORMATION

- (1) The Issuer has obtained all corporate and other consents, approvals and authorisations required in France for the update of the Programme.

Any issuance of Notes under the Programme, to the extent that such Notes constitute *obligations* under French law, requires a resolution of the Board of Directors (*Conseil d'administration*) of the Issuer. As such, pursuant to decisions of the Issuer's Board of Directors dated 28 January 2021, it was decided to (i) authorise the issuance under the Program of Notes in 2021 for a maximum amount of € 13 billion, (ii) maintain the maximum maturity of the Notes at up to fifteen (15) years, (iii) increase the Maximum Amount of the Programme to €60 billion and (iv) delegate to the *président, vice-président, directeur général* or *directeur general adjoint* of the Issuer all powers to set their terms and conditions, including the execution of the final terms, and in general, to perform any action necessary for the completion of the issues.

- (2) Under Article 201 of 2021 budget law no. 2020-1721 dated 29 December 2020, the borrowings subscribed by the Issuer in 2021 may benefit from the guarantee of the French State in principal and interest, up to a maximum overall amount of €13 billion in principal.

The State Guarantee was therefore granted for the 2021 bond issues of the Issuer in the amount of 8 billion euros pursuant to an order issued by the Minister of the Economy, Finance and Recovery dated 13 January 2021, being specified that, a new tranche (within the limit of €5 billion) shall be granted by order of the Minister of the Economy, Finance and Recovery for any issue exceeding the cap fixed by the order dated 13 January 2021.

The Final Terms prepared in respect of any issue of Notes will specify whether or not the Notes will benefit from the guarantee of the French State, pursuant to an order of the Minister of the Economy, Finance and Recovery, adopted pursuant to Article 201 of the above-mentioned law, under the terms described in "Description of the Guarantee" and in the relevant Final Terms.

- (3) Except as disclosed in this Information Memorandum, including with respect to the impact of Covid-19, no significant deterioration has affected the prospects of the Issuer since 31 December 2019.

Except as disclosed in this Information Memorandum, including with respect to the impact of Covid-19, there has been no adverse change in the financial position of the Issuer since 31 December 2019.

- (4) The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings and is not aware of similar proceedings which are pending or threatened, within a period covering the twelve (12) months preceding this Information Memorandum, which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or its business.
- (5) Application may be made for Notes to be accepted for clearance through Euroclear France (115 rue Réaumur, 75081 Paris cedex 02, France) and/or Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgique) and Clearstream, Luxembourg (42 avenue JF Kennedy, 1855 Luxembourg, Luxembourg). The common Code and the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.
- (6) FCN, 83-85 boulevard de Charonne, 75011 Paris, France and Deloitte et Associés, 185 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France have audited and rendered audit reports on the financial statements of the Issuer for the years ended 31 December 2017. FCN and Deloitte et Associés are members of the French National Institute of Auditors (*Compagnie Nationale des Commissaires aux Comptes*).

The appointment of FCN as statutory auditors' was renewed for the 2018 to 2023 financial years at the 29 June 2018 meeting of the Issuer's Board of Directors.

Grant Thornton was appointed principal statutory auditor, alongside FCN, for the 2018 to 2023 financial years at the 29 June 2018 meeting of the Issuer's Board of Directors.

FCN, 83-85, boulevard de la Charonne, 75011 Paris, France, and Grant Thornton, 29 rue du Pont – 92200 Neuilly-sur-Seine, France, verified and issued an audit report on the Issuer's annual financial statements

for the year ended 31 December 2018 and for the year ended 31 December 2019.

- (7) This Information Memorandum as well as any update to this Information Memorandum will be published on the Issuer's website (www.unedic.org) and will be available for viewing, without charge, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Fiscal Agent or Paying Agent, where copies may be obtained. The Final Terms related to Notes admitted to trading on any Regulated Market will be published on Issuer's website (www.unedic.org).
- (8) So long as Notes are outstanding under this Programme, copies of the following documents will, when published, be available, without charge, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Fiscal Agent and Paying Agent:
- (i) a copy of the *statuts* of the Issuer;
 - (ii) the audited financial statements of the Issuer in respect of the financial years ended 31 December 2017, 2018 and 2019;
 - (iii) a copy of this Information Memorandum together with any update to this Information Memorandum;
 - (iv) a copy of the Agency Agreement (*Contrat de Service Financier*) (which includes a form of *Lettre Comptable*);
 - (v) any Final Terms with respect to Notes admitted to trading on Euronext Paris or on any other Regulated Market; and
 - (vi) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Information Memorandum.
- (9) The amounts of interest payable in respect of the Floating Rate Notes may be calculated with reference to EURIBOR, EONIA or LIBOR or another benchmark index in accordance with the Regulation on Benchmark Indexes, as specified in the relevant Final Terms. The applicable Final Terms shall state the relevant benchmark index, the competent administrator and whether or not the administrator features in the register of administrators and benchmark indexes established and maintained by the European Securities and Market Authority (ESMA) as of the Issue Date.

RESPONSIBILITY WITH RESPECT TO THE INFORMATION MEMORANDUM

Person responsible for the information given in the Information Memorandum

In the name of the Issuer

I represent that, having taken all reasonable care to ensure that such is the case, the information contained or incorporated by reference in this Information Memorandum is, to my knowledge, in accordance with the facts and contains no omission likely to affect its import.

Paris, 8 February 2021

Unédic
4 rue Traversière
75012 Paris
France

Represented by:
Mr. Christophe VALENTIE, *Directeur Général*

Issuer

Unédic
4 rue Traversière
75012 Paris
France

**Fiscal Agent, Principal Paying Agent
and the Calculation Agent**

BNP Paribas Securities Services
3-5-7 Rue Général Compans
93500 Pantin
France

Statutory Auditors

FCN
83-85 boulevard de Charonne
75011 Paris
France

Grant Thornton
29 rue du Pont
92200 Neuilly-sur-Seine
France

Legal Adviser to the Issuer

De Gaulle Fleurance & Associés
9 rue Boissy d'Anglas
75008 Paris
France