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**Euro Medium Term Note Programme  
€1,000,000,000**

Under the Euro Medium Term Note Programme (the **Programme**) described in this offering circular (the **Offering Circular**), the Nouvelle-Aquitaine region (the **Issuer**, or the **Nouvelle-Aquitaine Region** or the **Region**) may, at any time, in compliance with all applicable laws, regulations and directives, issue notes (the **Notes**). The aggregate nominal amount of Notes outstanding shall not, at any time, exceed €1,000,000,000.

This Offering Circular (as well as any supplements thereto) does not constitute a base prospectus under regulation (EU) 2017/1129 whose provisions do not apply to the Issuer, and was therefore not approved by the Autorité des Marchés Financiers (French Financial Markets Authority). The Issuer undertakes to update the Offering Circular annually.

Application may, under certain circumstances, be made for Notes to be admitted to trading on Euronext Paris (**Euronext Paris**). Euronext Paris is a regulated market as defined in Directive 2014/65/EU dated 15 May 2014 as amended (a **Regulated Market**). The Notes may also be admitted to trading on another Regulated Market of a member State of the European Economic Area (**EEA**) or on a non-regulated market or not admitted to trading on any market. The pricing supplements prepared for an issue of Notes (the **Pricing Supplements**), based on the form set out in this Offering Circular, shall specify whether or not such Notes shall be listed for trading on a regulated market and shall list, if applicable, the relevant Regulated Market(s). The Notes shall exclusively be offered to qualified investors in one or several EEA Member States. Notes shall have a nominal value, specified in the Pricing Supplements, equal to or greater than €100,000 or any other larger amount that may be authorised or required by any relevant competent authority or any applicable law or regulation.

The Notes may be issued in dematerialised form (**Dematerialised Notes**) or materialised form (**Materialised Notes**), as more fully described in this Offering Circular.

Dematerialised Notes will be entered in an account in accordance with Articles L.211-3 *et seq.* of the French Monetary and Financial Code. No physical document of title shall be issued in respect of Dematerialised Notes. Dematerialised Notes may be issued, at the option of the Issuer, either (a) in bearer form, registered on their issue date in the books of Euroclear France (acting as central depository), which will credit the accounts of the Account Holders (as defined in the section "Terms and Conditions of the Notes - Form, Denomination, Title and Consolidation") including Euroclear Bank SA/NV (**Euroclear**) and the depository bank for Clearstream Banking, S.A. (**Clearstream**) or (b) in registered form and, in such case, at the option of the relevant Noteholder (as defined in section "Terms and Conditions of the Notes - Form, Denomination, Title and Consolidation", either in pure registered form (*au nominatif pur*), in which case they shall be entered recorded in an account maintained by the Issuer or any registration agent (as specified in the relevant Pricing Supplements) on behalf of the Issuer, or in administered registered form (*au nominatif administré*), in which case they shall be entered in the accounts of the Account Holder nominated by the relevant Noteholder.

Materialised Notes shall be issued in bearer form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (**Temporary Global Certificate**) shall be issued initially in respect of the Materialised Notes. Such Temporary Global Certificate shall subsequently be exchanged for Materialised Notes represented by physical notes (**Physical Notes**) together with, if applicable, interest coupons, no earlier than a date approximately 40 calendar days after the issue date of the Notes (unless postponed, as described in the section "Temporary Global Certificates in respect of Materialised Notes") upon certification that the Notes are not being held by U.S. Persons in accordance with U.S. Treasury regulations, as more fully described in this Offering Circular. The Temporary Global Certificates shall be (a) in the case of a Tranche (as defined in the section "General Description of the Programme") to be cleared through Euroclear and/or Clearstream, deposited on the issue date with a depository common to Euroclear and Clearstream, or (b) in the case of a Tranche to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream or delivered outside any clearing system, deposited under the conditions agreed between the Issuer and the relevant Dealer (as defined below).

The Issuer's long-term debt is rated Aa3 with a stable outlook by Moody's France S.A.S. (**Moody's**). The Programme has been rated Aa3 by Moody's. The Notes issued under the Programme may or may not be rated. The rating of the Notes, if any, shall be specified in the applicable Pricing Supplements. The rating of the Notes may not necessarily be the same as that of the Programme. A rating is not a recommendation to buy, sell or hold Notes and may be suspended, amended or withdrawn by the relevant rating agency at any time. On the date of the Offering Circular, Moody's is a rating agency established in the European Union and registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and Council of 16 September 2009 on credit rating agencies, as amended (the **ANC Regulation**) and is included on the list of rating agencies published on the website of the European Securities and Markets Authority (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the ANC Regulation.

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

This Offering Circular, any supplements and, as long as the Notes are listed for trading on a Regulated Market, the applicable Pricing Supplements shall be published on the dedicated page of the Issuer's website (<https://www.nouvelle-aquitaine.fr>).

Arranger  
CRÉDIT AGRICOLE CIB

**Dealers**

**CRÉDIT AGRICOLE CIB**

**LA BANQUE POSTALE**

**SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING**

**HSBC**

**NATIXIS**

**Each Tranche (as defined in the section "General Description of the Programme") of Notes shall be issued in accordance with the provisions set forth in "Terms and Conditions of the Notes" of this Offering Circular, as completed by the provisions of the relevant Pricing Supplements agreed by the Issuer and the Dealers (as defined in the section "General Description of the Programme") at the time of issue of said Tranche.**

**The Issuer accepts responsibility for the information contained or incorporated by reference in this Offering Circular. So far as the Issuer is aware, having taken all reasonable care to ensure that this is the case, the information contained or incorporated in this Offering Circular is in accordance with the facts and does not omit any element that may diminish its significance. The Issuer confirms that the opinions and intentions expressed about it in this Offering Circular are sincere, were obtained by taking into account all the relevant circumstances and were founded on reasonable assumptions. The Issuer confirms that there are no other facts or matters that concern it or that concern the Notes whose omission would make any information or declaration in this Offering Circular misleading in any way whatsoever.**

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

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

**The section "Subscription and Sale" of this Offering Circular contains a description of certain restrictions applicable to the offering, sale and transfer of Notes and distribution of this Offering Circular.**

**MiFID II Product Governance / Target Market – The Pricing Supplements in respect of any Notes may include a paragraph entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority (ESMA) on 5 February 2018, and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, MiFID II) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.**

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

**UK MiFIR product governance / target market - The Pricing Supplements in respect of any Notes may include a paragraph entitled "UK MiFIR Product Governance", which will outline**

**the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 18 of the Guidelines published by the ESMA on 5 February 2018 (in line with the UK Financial Conduct Authority's policy statement entitled "Brexit: our approach to EU non-legislative materials"), and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the target market assessment; however, a distributor subject to 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 target market assessment) and determining the appropriate distribution channels.**

**A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.**

**This Offering Circular constitutes neither an invitation nor an offer made by or on behalf of the Issuer, the Dealers or the Arranger to subscribe for or purchase the Notes.**

**Neither the Dealers nor the Issuer makes any representation to any prospective investor in the Notes as to the lawfulness of their investment under applicable laws. Any prospective investor in the Notes must be capable of assuming the economic risk that its investment in the Notes implies for an unlimited period of time.**

**Neither the Arranger nor any of the Dealers has verified the information contained in this Offering Circular. Neither the Arranger nor any of the Dealers makes any express or implied representation, or accepts any liability, as to the accuracy or completeness of any information contained in this Offering Circular. The Offering Circular is not intended to provide the basis of any financial estimate or other evaluation and must not be treated as a recommendation to buy Notes made by the Issuer, the Arrangers or the Dealers to any recipients of this Offering Circular. Each prospective investor in Notes must make his own assessment of the relevance of the information contained in this Offering Circular and his decision to purchase Notes must be based on such research as he considers necessary. Neither the Arranger nor any of the Dealers undertakes to review the financial position or the affairs of the Issuer during the life of this Offering Circular, nor undertakes to inform any investor or prospective investor of any information of which it becomes aware.**

**In this Offering Circular, unless otherwise specified or the context requires otherwise, any reference to "€", "Euro", "EUR" and "euro" refers to the lawful currency in the European Union Member States that have adopted the single currency introduced in accordance with the Treaty establishing the European Economic Community.**

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## **RISK FACTORS**

*The Issuer believes that the risk factors described below are material to any decision to invest in the Notes and/or may affect its ability to fulfil its obligations to investors under the Notes. Those risks are unpredictable and the Issuer cannot comment on their potential occurrence.*

*The Issuer believes that the risk factors described below represent the main risks associated with the Notes issued under the Programme, but they are, however, not exhaustive. The order in which the risk factors are presented below is not an indication of how likely they are to occur. The risks described below are not the only risks to which an investor in the Notes is exposed. Other risks and uncertainties, unknown to the Issuer at today's date or which it does not consider as at the date of this Offering Circular to be material, may have a material impact on an investment in the Notes. Prospective investors should read the information appearing in this Offering Circular and form their own opinion before taking any investment decision. In particular, investors must make their own assessment of the risks associated with the Notes before investing in the Notes and must seek advice from their own financial, tax or legal advisers on the risks associated with an investment in the Notes and the suitability of such an investment in light of their own circumstances.*

*The Issuer believes that the Notes should be purchased only by investors who are (or are acting on the advice of) financial institutions or other professional investors who are able to assess the specific risks associated with an investment in the Notes.*

*The risk factors described below may be completed by the applicable Pricing Supplements of the Notes for a specific issue of Notes.*

*All terms beginning with a capital letter and not defined in this section shall have the meaning given to them in the section "Terms and Conditions of the Notes". Any reference below to an Article refers to the corresponding numbered article the "Terms and Conditions of the Notes" section.*

### **1. RISKS RELATING TO THE ISSUER**

#### ***Financial risks***

The Issuer's indebtedness weighs on its operating expenses and a high level of indebtedness is likely to reduce its savings rate, and therefore its ability to borrow on satisfactory financial terms, and exposes the Issuer to financial risks (notably the risk of payment default).

Nonetheless, the status of a legal person governed by public law and the legal framework for local authorities borrowing strongly reduces the insolvency risks of the Issuer.

Indeed, law no. 82-213 of 2 March 1982 relating to the rights and freedoms of Municipalities, Departments and Regions, abolished any role of supervision by the State over the acts of local authorities. This change gave local authorities full and complete freedom of discretion in matters of finance and liberalised and standardised the rules applicable to raising finance. Henceforth, local authorities are free to raise finance and their relations with lenders are governed by private law and freedom of contract, the constitutional validity of which in relation to local authorities was recognised by the Constitutional Council (Cons. const., 30 Nov. 2006, Dec. no. 2006-543 DC, law relating to the energy sector).

However, this freedom is governed by the following principles supplemented by law no. 2013-672 of 26 July 2013 on the separation and regulation of banking activities:

- loans must be used exclusively to finance investments;

- if the loan is denominated in foreign currency, the exchange risk must be entirely covered by a currency swap against euro at the time of the subscription of the loan for the total amount and the total duration of the loan;
- if the interest rate is floating, indices and authorised spreads for the indexation provisions, following a currency swap, if applicable, are set by decree of the *Conseil d'État* and the indexation formulas shall meet criteria of simplicity or predictability of financial costs incurred by the authority with respect to the loan; and
- repayment of principal must be fully covered by own funds derived from the transfer of operating income (i.e. gross savings), plus definitive capital income-other than the loan.

With the same concern for financial balance, law no. 2018-32 of 22 January 2018 of public finance programming for the years 2018 to 2022 (Article 29) has set a national reference ceiling for the debt reduction capacity of local authorities, defined as the ratio between the outstanding debt on the accounts closing date and the gross savings of the past year and expressed in number of years. This ceiling target is fixed at nine years for regions (Article 29 of the said law). The Region observed the contract during its two years of execution (2018–2019). In 2020, the State suspended its implementation to enable the Region to contribute to the country's recovery.

As such, the golden rule of local finance, set by law, and the controls carried out by the State constitute a strong guarantee for solvency for the lenders and makes this risk hypothetical, with respect to a French region.

#### ***Risks related to changes in the Issuer's resources***

With respect to the Issuer's own resources, Nouvelle-Aquitaine region, like other authorities, is exposed to changes of its regulatory, legal and financial environment that may change the structure and the volume of its resources.

However, Article 72-2 of the Constitution provides that "tax revenue and other own sources of funds of local authorities represent, for each category of local authority, a crucial part of their overall resources".

The level of the Issuer's resources depends on the receipts transferred by the State in the context of transfers of powers or successive tax reforms. These resources change in close relation to the levels of growth and inflation seen in the context of a growth pact. Further, any fall in the level of grants from the State may negatively affect the operating income of the Issuer, thereby reducing its capacity to invest.

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

The liquidity risk corresponds to the Issuer's inability to meet its short-term financial commitments because of a break in cash flow.

As a local authority, the Issuer is required to deposit its funds with the Treasury (Article 26 of Organic Law No. 2001-692 of 1 August 2001 concerning finance laws) and to permanently have a positive balance in this account. No overdraft may be granted pursuant to point 2 of Article 26 of the aforementioned organic Law No. 2001-692.

However, if the available funds of the local authority are momentarily insufficient, the General Local Authorities Code (*Code général des collectivités territoriales*) (**GLAC**) (especially Chapter VII of Title III of Book III of section four, and in particular Article L. 4331-2-1) allows the State to operate by advance tax payments to the local authority, by 1/12th<sup>e</sup>.

Beyond the control and daily monitoring of the treasury management plan, liquidity risk is handled by maintaining a sufficient level of diversification of financing sources.

### ***Issuer risks of default***

With respect to debt servicing, capital redemption and interest represent a mandatory expenditure of territorial authority (Article L. 4321-1 of the GLAC).

Those expenses shall, consequently, be necessarily charged to the budget of the local authority. Otherwise, French law has introduced a procedure known as "automatic registration" (Article L. 1612-15 of the GLAC) enabling the Prefect, having consulted the regional accounts office (the *Chambre Régionale des Comptes*, or **CRC**), to automatically register this expense in the budget of the local authority. Furthermore, failing payment of a mandatory expense, French law has introduced another procedure of "automatic payment order" (Article L.1612-16 of the GLAC) enabling the Prefect to proceed automatically with the payment order.

The signing in 2009 of a best practices charter between the banking establishments and local authorities and the dissemination of the 25 June 2010 circular (see below "*Risks associated with the use of derivatives*") have helped to put a stop to the marketing of high-risk structured products. The set up in the context of the best practices charter of a classification of structured products (known as the "*Gissler*" classification) and the renovation of budget appendices of the local authorities relative to the debt have helped to significantly improve information to elected officials and citizens on local public debt, particularly on the risks linked to structured borrowings.

The mandatory nature of the debt repayment (principal and interest), pursuant to the provisions of Article L. 4321-1 of the GLAC, and the best practices rules on the proceeds from the borrowing represent a strong legal protection for lenders and makes the risk of payment default highly hypothetical, as this is a local authority.

However, legal, economic, political and/or social imperatives, difficult to foresee, may lead the Issuer to make vote unforeseen or additional budgetary expenses, related proceeds having to be set down either by using proceeds non- registered in the primary budget, or by deleting prior voted expenses. Those votes intervene in the framework of amending budgetary decisions that may occur in the course of the year.

Those imperatives or evolutions may have an impact on the implementing time-frames and the vote of such amending budgetary decisions, and on the implementation by Bondholders of certain Events of Default mentioned in paragraph 8 "Events of default" of the Terms and Conditions.

### ***Risks associated with the Issuer's off-balance sheet transactions***

With regard to external financial risks, the Region may grant loan guarantees for certain structures that wish to harness long-term bank financing. The default of a partner having a loan guarantee may have an impact on the budget of the Region because in the event of default of the organisation for which the debt is guaranteed, the Region may be required to replace it and to bear the expense of the unpaid instalments. This reduces the Region's room for manoeuvre, including its capacity to finance itself, which may result in it taking on more debt.

However, loan sureties or guarantees to public or private organisations are strictly governed by Articles L. 4253-1, L. 4253-2 and D. 4253-1 of the GLAC. The Issuer has an obligation to comply with three prudential rules defined by Law 88-13 of 5 January 1988, known as the "*Galland Act*". These rules together establish the principle of a ceiling on commitments, a ceiling on beneficiaries (or division of risk) as well as the rule of shared risk. These rules apply only to guarantees granted to private law

persons. The "*Galland ratio*" on the ceiling on commitments is published in the notes to the preliminary budget and the administrative account of the Issuer.

At 1 January 2021, the outstanding debt guaranteed by the Region amounted to €93,822,770.21 (versus €93,611,174.98 at 1 January 2020).

This risk is significantly limited by the strict legal framework for loans guarantees by local authorities and the low level of the Region's commitment in this respect. The Region has not been solicited as a third-party guarantor in the last two financial years.

### ***Risks related to the use of derivatives***

The use of borrowings and financial instruments (derivatives such as swaps, caps, tunnels etc.) is regulated by the interministry circular NOR/IOCB1015077C of 25 June 2010 relating to financial products offered to local authorities and their public establishments. This text specifies the risks inherent in the debt management by local authorities and summarises the current law regarding the use of financial products and instruments to hedge the financial risk. It repeals the prior circular dated 15 September 1992. It states in particular that the use of financial instruments is authorised only for the purposes of hedging the interest rate or currency risk. The policy of the Nouvelle-Aquitaine region on interest rate risk is prudent: it aims to protect the Nouvelle-Aquitaine region's debt against an increase in the rates while reducing its cost.

As such, the Region demonstrates extreme caution on the nature of the risks of products it subscribes to and refuses to sign contracts for products offering pricing supplements abnormally disconnected from the market. The subscribed products are solely aimed at reducing or limiting the impact of financial expenses and at totally or partially neutralising the exchange rate risk in the event of currency transactions.

In this regard, French law no. 2013-672 of 26 July 2013 on the separation and regulation of banking activities, has inserted into the GLAC a new Article L. 1611-3-1, pursuant to which, when a local authority agrees to take out a loan denominated in foreign currency, the authority has to enter into a currency swap against euro at the time of the subscription of the loan for the total amount and the entire time period of the loan.

Furthermore, French Decree no. 2014-984 of 28 August 2014, made pursuant to the law of 26 July 2013 specifically governs the terms of borrowing with credit institutions and under which local authorities may enter into financial contracts.

### ***Legal risks related to enforcement proceedings***

The Issuer, as a local authority, is not exposed to legal risks related to common law enforcement proceedings. As a legal person governed by public law, the Issuer is not subject to private law enforcement procedures and its assets are exempt from seizure (Article L. 2311-1 of the French General Property Code for Public Entities (*Code général de la propriété des personnes publiques*)), preventing in particular any mechanism of compensation of the Issuer's receivables according to the rules of common law, thus reducing the possibilities of recourse for an investor in the context of the redemption of Notes as compared to a legal person governed by private law.

However, the registration and payment of mandatory expenses resulting, for the Issuer, from a final court decision are governed by Article 1 of Law No. 80-539 of 16 July 1980 and Articles L. 911-1 et seq. of the French Code of Administrative Justice and may therefore result in the implementation of automatic registration and payment procedures (described in the paragraph "*Issuer risks of default*" above).

### ***Asset related risks***

By virtue of the powers granted to it, the Issuer holds a significant stock of real estate and movable assets and is therefore exposed to the risks of damage, loss, destruction and physical loss that may occur to its real estate and movable assets. Moreover, the Issuer may be found liable to third parties (including in case of accidents occurring in a building that it owns) and is exposed to risks arising by virtue of the legal regime applicable to its agents and elected officials.

The insurance policies taken out by the Nouvelle-Aquitaine region cover all of the buildings it owns or occupies, for any reason, against risks of natural disasters, fire, attacks or vandalism in particular; it also covers all of the vehicles of the Nouvelle-Aquitaine region. Moreover, the third-party liability of the Nouvelle-Aquitaine region and of its various services, including ancillary activities of any nature and those of ancillary budgets, is covered by a specific insurance policy.

### ***Risks linked to external events with a strong potential impact***

The COVID-19 crisis is an example of the external risks to the Region that could have a significant impact on its activity. However, such external risks may also arise from other types of events, including major protest movements, strikes, and adverse weather conditions.

As at the date of the writing of this Offering Circular, the full extent of the consequences linked to the COVID-19 health crisis remains uncertain, but three types of impact can now be identified in relation to this type of risk:

- the risk in terms of the health of the Region's employees and their families in the event of a health crisis. It should be noted that the Region was very quick to transmit and implement the barrier measures to be introduced during the COVID-19 crisis;
- the operational risk to the normal functioning of the services required during the lockdown imposed on the population. The Region adapted its organisational structure with a view to ensuring, among other factors, the continuity of regional public services in the best possible conditions at all times, particularly in relation to the financial management of the authority. To this end, the Region has been operational since 2020 for:
  - the generalisation of remote working for practically all head-office officials and for all officials in the Finance Department (agreements, VPN access and the availability of adequate computer equipment),
  - the digitalisation of budget and financial procedures and of accounting procedures for the financial implementation of expenditure, with a view to ensuring in all circumstances the covering of expenditure, the payment of invoices and the distribution of subsidies, in addition to the functioning of the department responsible for the payment of officials' salaries,
  - the development of a secure, integrated financial management and information system.
- financial risk with impacts on the Region's income and expenditures (refer to the section titled "Risks related to changes in the Issuer's resources").

The Region has demonstrated on several occasions its resilience and reactivity in periods of crisis, particularly with regard to COVID-19.

The action of the Region is supported by cooperation between the State and local authorities during exceptional crises, and particularly by the measures taken by ministerial orders and by compensatory

financial legislation (in particular Order No. 2020-330 of 25 March 2020 *concerning measures for the budgetary, financial and fiscal continuity of local authorities and local public establishments in order to combat the consequences of the COVID-19 pandemic*).

### ***Risks related to financial statements***

The Issuer, as a regional authority, is not subject to the same accounting standards as a private law issuer. Its financial statements (administrative accounts, budgets) are subject to fixed specific accounting rules, in particular decree no. 2012-1246 of 7 November 2012 and the GCLA. The financial assessment of the Issuer by investors requires taking this specific accounting into consideration.

The Issuer's accounts are subject to controls by the Government: (i) verification of legality, (ii) financial control carried out by the State representative (the Prefect) and the public accountant, (iii) periodic management review conducted by the *Chambre Régionale des Comptes*. The Issuer's accounts are not audited according to the same process as a private law issuer, but are subject to review by the State.

### ***The Issuer's long-term rating***

The Issuer's "Aa3" long-term reference rating with a stable outlook by Moody's France S.A.S. is only an opinion with respect to the level of credit risks associated with the Issuer and does not necessarily reflect all the risks associated with the Issuer. This rating is not a recommendation to buy, sell or hold the Notes and may be suspended, changed or withdrawn by the ratings agency at any time.

## **2. RISKS ASSOCIATED WITH THE NOTES**

### **2.1 General market risks**

#### ***The securities market may be volatile and adversely affected by events***

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

#### ***An active market in the Notes may not develop or be sustained***

No assurance can be given that an active market in the Notes will develop or that, if such market does develop, that it will be sustained or offer sufficient liquidity. If an active market in the Notes does not develop or is not sustained, the market value or price and the liquidity of the Notes may be adversely affected. Therefore, investors may not be in a position to easily sell their Notes or to sell them at a price offering a return comparable to similar products for which an active market has developed.

The Issuer has the right to purchase Notes, on the terms set forth in Article 5.7, and the Issuer may issue new Notes, on the terms set forth in Article 14. Such transactions may favourably or adversely affect the price of the Notes. If additional or competing products are introduced on the markets, this may adversely affect the value of the Notes.

#### ***Currency and exchange control risks***

The Issuer shall pay the principal and interest on the Notes in the currency specified in the applicable Pricing Supplements (the **Specified Currency**). This presents certain currency

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

The Government and the monetary authorities may impose (as has occurred in the past) exchange control measures that may adversely affect exchange rates. As a result, investors may receive a payment of principal or interest lower than expected, or even receive neither interest nor principal.

### ***Risks related to the rating of Notes***

The Programme has been rated Aa3 by Moody's. Independent credit rating agencies may assign a rating to Notes issued under this Programme. Such a rating does not reflect the potential impact of the risk factors described in this section and all other risk factors that may affect the value of the Notes issued under this Programme. A rating does not constitute a recommendation to buy, sell or hold Notes and may be revised or withdrawn at any time by the rating agency.

## **2.2 General risks relating to the Notes**

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

If, at the time of redemption of principal or payment of interest, the Issuer is obliged to pay Additional Amounts in accordance with Article 7.2, it may reimburse the Notes in full at the Early Redemption Amount together with, unless provided otherwise in the applicable Pricing Supplements, all interest accrued until the relevant redemption date.

Similarly, if it becomes unlawful for the Issuer to fulfil or comply with its obligations under the Notes, the Issuer may, in accordance with Article 5.8, redeem the Notes, in full but not in part only, at the Early Redemption Amount together with all interest accrued until the relevant redemption date.

Any early redemption option available to the Issuer, specified in the Pricing Supplements of an issue of Notes may result in the Noteholders receiving a return considerably below their expectations.

The Pricing Supplements of an issue of Notes may include an early redemption option for the Issuer. Therefore, the yield at the time of redemption may be lower than expected, and the value of the amount redeemed for the Notes may be less than the purchase price of the Notes paid by the Noteholder. Therefore, a portion of the capital invested by Noteholders in the Notes may be lost, so that the Noteholder receives less than the total capital invested. Furthermore, in the event of early redemption, investors who decide to reinvest the funds they receive may be able to reinvest only in securities that offer lower returns than the redeemed Notes.

### ***Risk related to optional redemption by the Issuer***

The market value of the Notes may be affected by the optional redemption option of the Notes by the Issuer. During the periods when the Issuer has the option to execute such redemptions, this market value does not generally increase substantially over the price at which the Notes may be redeemed. This may also be the case before any redemption period.

One can expect that the Issuer redeems the Notes when its borrowing cost is lower than the interest rate on the Notes. In such a situation, an investor will generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the redeemed Notes and would only be able to reinvest in securities that offer a significantly lower yield. Prospective investors must therefore take into account the risk related to the reinvestment in light of the other investments available at the time of the investment.

### ***Risks related to optional redemption at the discretion of the Noteholders***

The exercise of a redemption at the option of the Noteholders for some Notes may affect the liquidity of Notes of the same Series for which such option has not been exercised. Depending on the number of Notes of the same Series in respect of which the optional redemption provided for in the relevant Pricing Supplements has been exercised, the market of Notes for which such a redemption has not been exercised may become illiquid. In addition, Noteholders requesting the redemption of their Notes may not be able to reinvest the funds received for said early redemption with a yield equivalent to that of the redeemed Notes.

### ***Modification of the Terms and Conditions of the Notes***

Noteholders will be grouped in a Masse (as defined in Article 11 of the Terms and Conditions of the Notes "Representation of Noteholders") for the defence of their common interests and may hold general meetings of Noteholders or take written decisions. The Terms and Conditions of the Notes provide that, in certain cases, Noteholders not present or represented at a general meeting or those who have not participated in a written decision, may be bound by the vote of Noteholders present or represented, even if they disagree with the vote or reject the written decision.

Subject to the provisions of Article 11 of the Terms and Conditions of the Notes "Representation of Noteholders", Noteholders may, by means of Collective Decisions, as defined in the Terms and Conditions of the Notes, deliberate on any proposal relating to the modification of the Terms and Conditions of the Notes, notably on any proposal for arbitration or settlement, relating to disputed rights or which have been the subject of judicial decisions.

### ***Change of law***

The Terms and Conditions of the Notes are governed by French law as of the date of this Offering Circular. No assurance can be given as to the consequences of any judicial decision or any change in French laws or regulations subsequent to the date of this Offering Circular.

### ***Taxation***

Prospective purchasers and sellers of the Notes should be aware that they may be required to pay taxes or documentary taxes or fees in accordance with the laws and practices of the country in which the Notes are transferred or in other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions on the tax treatment of securities such as the Notes are available.

Prospective investors are advised not to rely upon the tax summary contained in this Offering Circular, but to consult with their own tax advisor based on their individual situation with respect to the subscription, acquisition, holding, remuneration, sale and redemption of the Notes. Only such advisors are in a position to correctly consider the specific situation of a prospective investor.

#### ***Loss of investment in the Notes***

The Issuer reserves the right to buy back Notes, at any price, on or off the stock exchange, in accordance with applicable regulations. Although this does not impact on the normal schedule for redemption of the Notes still outstanding, it would however reduce the return on the Notes redeemed early. Similarly, in the event of a change in the tax rules applicable to the Notes, the Issuer may be obliged to redeem all Notes at the Early Redemption Amount as defined in the applicable Pricing Supplements. Any early redemption of the Notes may result in a return significantly below the Noteholders' expectations.

Also there is a risk that the Notes will not be redeemed on their maturity date if the Issuer is no longer solvent. The non-redemption or partial redemption of the Notes would de facto result in a loss of investment in the Notes.

Finally, any sale of a Note at a price below the purchase price may cause a loss of capital. Under this operation, the investor does not benefit from any protection or guarantee of the invested capital. The capital initially invested is exposed to market risks and may therefore not be returned in the event of adverse market changes.

#### ***Investment laws and regulations may restrict certain investments***

The investment activity of some investors is subject to the laws and regulations governing investment criteria or the control of certain authorities. Each potential investor should consult their legal advisor in order to determine if, and to what extent, (1) the Notes are an authorised investment for the investor, (2) the Notes may or may not be used to secure different types of loan, (3) other restrictions apply to the acquisition or pledging of the Notes. Financial institutions should consult their legal counsel or the appropriate regulator to determine the appropriate treatment of the Notes pursuant to prudential rules or any other similar rule. Neither the Issuer nor the Dealer(s), nor any of their respective affiliates has assumed or assumes responsibility for the legality of the acquisition of the Notes by a potential investor, either under the laws in force in the jurisdiction where they are registered or the one in which they conduct their activities (if different), or the compliance by a potential investor with any law, regulation or rule made by a regulator that may apply to it.

#### ***Review of legality***

The Prefect of the Nouvelle-Aquitaine region has a period of two months as from the date of transmission at the Prefecture of a resolution of the Regional Council of the Nouvelle-Aquitaine region of a decision taken by delegation by the Regional Council, (where applicable) of a decision to sign a contract, and for some of these contracts, to review their legality. If it considers the resolutions, decisions and/or administrative contracts illegal, it refers them to the competent administrative tribunal and if appropriate, requests their suspension. The competent administrative tribunal may then, if it deems these resolutions, decisions and/or contracts illegal, suspend them or fully or partially overturn them. Moreover, depending on the nature of the error and the circumstances of the case, the overturning of the said resolutions and/or the said decisions could lead to the annulment of the relevant private contracts.

### ***Third party action***

Any third party who has legal standing may start legal proceedings before the administrative courts against any resolution of the Regional Council of the Nouvelle-Aquitaine region, for a decision taken on the authority of the latter, (where applicable) a decision to sign a contract, and/or the latter within a period of two months as of the date of its publication, and as appropriate, request the suspension thereof. Moreover, if said resolution and/or decisions are not published correctly, such an action may be taken by any interested third party without a time limit. Once the case has been referred, the competent administrative judge may then, if they deem that a rule of law has been violated, overturn this resolution, these decisions and/or these administrative contracts to sign or, if they also deem it justified by an emergency, suspend it. Moreover, depending on the nature of the error and the circumstances of the case, the annulment of the resolution and/or the decisions could lead to the annulment of the relevant private contracts.

## **2.3 Risks associated with specific issues of Notes**

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

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest payments on Floating Rate Notes cannot be predicted. Due to fluctuations in interest income, investors cannot determine the actual yield on the Floating Rate Notes at the time of purchase, and therefore their return on investment cannot be compared to investments with longer fixed interest periods. If the terms of the Notes specify frequent interest payment dates, investors are exposed to reinvestment risk if market interest rates fall. In such a case, investors will be able to reinvest their interest income only at the potentially lower prevailing interest rate.

An investment in Floating Rate Notes is composed of (i) a reference rate and, where applicable, (ii) a margin to be added or subtracted, as the case may be, from this reference rate. Generally, the margin concerned does not change during the life of the Note, but there will be a periodic adjustment (as specified in the relevant Pricing Supplements) of the reference rate (for example, every three (3) months or six (6) months), which will vary depending on the general market conditions.

Accordingly, the market value of Floating Rate Notes may be volatile if changes, particularly short-term changes, on the interest rate market applicable to the relevant reference rate cannot be applied to the interest rate of such Notes until the next periodic adjustment of the relevant reference rate.

### ***Fixed Rate Notes***

The possibility cannot be excluded that the value of the Fixed Rate Notes may be adversely affected by future fluctuations on the interest rate markets.

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

Notes at a fixed and then floating rate have an interest rate that may, automatically or following a decision by the Issuer at a date specified in the Pricing Supplements, change from a fixed rate to a floating rate or from a floating rate to a fixed rate. The conversion (whether automatic or optional) may affect the secondary market and the market value of these Notes insofar as it could lead to a decrease in the total borrowing cost. If a fixed rate is converted into a floating rate, the rate spread between the fixed rate and the floating rates may be less favourable than the spreads in effect on comparable Floating Rate Notes that have the same reference rate. In addition, the new floating rate may at any time be lower than the rate of other Notes. If a

floating rate is converted into a fixed rate, the fixed rate may be lower than the rate applicable at that time to such Notes.

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

The market value of Zero Coupon Notes and other securities issued below par or with an issue premium tends to be more sensitive to fluctuations due to variations in interest rates than traditional interest-bearing securities. Generally, the longer the maturity of the Notes, the more the price volatility of such Notes is comparable to that of typical interest-bearing securities with similar maturity.

***Settlement and reform of the "benchmark indices" could have a material adverse impact on the Notes indexed to or referring to a "benchmark index"***

The interest rates and indices that are considered "benchmarks" (including the EURIBOR and the CMS Rate) have recently been the subject of regulatory guidelines and reform proposals at the national and international levels. Some of these reforms have already entered into force and others must still be implemented. These reforms could result in future performances that differ from past performances for these "benchmarks", lead to their disappearance, a change in their method of calculation, or have other consequences that cannot be anticipated. Any consequence of this kind could have a material adverse impact on all Notes indexed to or referring to a "reference index". Regulation (EU) 2016/1011, as amended (the **Benchmarks Regulation**) was published in the Official Bulletin of the European Union of 29 June 2016 and entered into effect on 1 January 2018. The purpose of the Benchmarks Regulation is to regulate the supply of benchmarks, the supply of underlying data for a benchmark and the use of benchmarks within the European Union. Among other requirements, it (i) requires that the benchmark administrators be approved or registered (or, if they are not located in the EU, they will be subject to an equivalent system or otherwise recognised or endorsed), and (ii) prohibits the use by entities supervised by the EU of "benchmarks" of administrators not authorised or not registered (or, if they are not located in the EU, which are not subject to an equivalent system or otherwise recognised or endorsed).

The Benchmarks Regulation could have a significant impact on the Notes indexed to or referring to a "benchmark", particularly under the following circumstances:

- if an index that is a "benchmark" could not be used by a supervised entity in certain cases if its administrator does not obtain approval or registration or, if it is not located in the EU, if the administrator is not subject to an equivalent or otherwise recognised or endorsed regime and if the transitional provisions do not apply; and
- if the methodology or other conditions for determining the "benchmark" are modified in order to comply with the requirements of the Benchmarks Regulation. Such changes could, in particular, have the effect of reducing or increasing the rate or the level or affecting in some way the volatility of the rate published or the level of a "benchmark".

More broadly, one of the international or national reforms, or even strong regulatory supervision of the "benchmarks", could increase the costs and risks for the administration of a "benchmark" or participation in any way in the determination of a "benchmark" and respect for these rules or requirements. Such factors might have the following effects on certain "benchmarks" (including the EURIBOR and the CMS Rate): (i) discourage market operators from continuing to administer certain "benchmarks" or from contributing to them; (ii) trigger changes in the rules or methodologies used in certain "benchmarks", or (iii) lead to the disappearance of certain "benchmarks". Any of these changes or subsequent changes as a result of international or national reforms or other initiatives or research could have a material

adverse impact on the value and the yield of the Notes indexed on or referring to a "benchmark".

Investors should be aware that, in the event of an interruption or any unavailability of a benchmark, the interest rate applicable to the Notes indexed or referring to that "benchmark" will be calculated for the period in question in accordance with the alternative clauses applicable to these Notes (it is specified that, if a Benchmark Event occurs, a specific alternative clause shall apply – please see the risk factor entitled "*The occurrence of a Benchmark Event may have a material adverse impact on the liquidity, value and yield of the Notes indexed on or referring to a "benchmark"*" below). Depending on the method used to determine the benchmark rate under the Terms and Conditions of the Notes, this may, under certain circumstances, (i) where FBF Determination applies, result in the application of a backward-looking, risk-free overnight rate, whereas the benchmark rate is expressed on the basis of a forward-looking term and includes a risk element based on interbank lending, or (ii) in the event that the Screen Rate Determination applies, result in the effective application of a fixed rate based on the the last rate in force when the benchmark rate was still available. All of these provisions could have an adverse effect on the value, liquidity or yield of the Notes indexed on or referring to a "benchmark".

Regulation (EU) 2019/2089 of the European Parliament and of the Council dated 27 November 2019 amended the existing provisions of the Benchmarks Regulation by extending until the end of 2021 the transitional system applicable to benchmarks of critical importance and the benchmarks of third countries. The existing provisions of the Benchmarks Regulation have been further amended by Regulation (EU) 2021/168 of the European Parliament and of the Council of 10 February 2021 published in the Official Journal of the European Union on 12 February 2021 (the **Amending Regulation**).

The Amending Regulation introduces a harmonised approach to deal with the cessation or wind-down of certain benchmarks by conferring on the European Commission the power to designate a statutory replacement index for certain benchmarks, such replacement being limited to financial contracts and instruments. These provisions could affect the value, liquidity or yield of Notes indexed to EURIBOR, in the event that the fallback provisions set out in the Terms and Conditions of the Notes are not appropriate. Nevertheless, there are still uncertainties about the exact procedures for applying these provisions pending implementation decisions from the European Commission. Furthermore, the transitional provisions applicable to third-country benchmarks have been extended until the end of 2023, and the European Commission will have the option of extending them until the end of 2025, if necessary. The Amending Regulation has been applicable since 13 February 2021.

Investors must consult their own advisors and make their own assessments of the potential risks generated by the reform of the Benchmarks Regulation before taking an investment decision on the Notes indexed on or referring to a "benchmark".

***The occurrence of a Benchmark Event may have a material adverse impact on the liquidity, value and yield of the Notes indexed on or referring to such "benchmarks"***

The Terms and Conditions of the Notes provide for alternative measures in the case of a Benchmark Event, particularly if an interbank rate offered (such as the EURIBOR) or any other relevant reference rate (except for €STR), and/or any page on which said benchmark may be published, is no longer available, or if the Issuer, Calculation Agent, any Paying Agent or any other party responsible for calculating the Interest Rate (as stipulated in the applicable Pricing Supplements) is no longer legally authorised to calculate the interest on the Notes by referring to such a benchmark under the Benchmarks Regulation or in any other way. Such alternative measures include the possibility that the interest rate may be set by reference to a

Successor Rate or an Alternative Rate (as these terms are defined in the Terms and Conditions of the Notes), with or without the application of an adjustment of the spread (which, if applied, may be positive or negative and would be applied in order to reduce or eliminate, to the extent possible in such circumstances, any economic harm or advantage (as applicable) for investors resulting from the replacement of the benchmark in question, and may include changes to the Terms and Conditions of the Notes to ensure the correct functioning of the successor or replacement benchmark, all of which as determined by the Independent Adviser without requiring the consent of the Noteholders.

In certain cases, including when no Successor Rate or Alternative Rate (as applicable) is determined or because of uncertainty as to the availability of the Successor Rate and the Alternative Rate and the intervention of an Independent Adviser, the applicable alternative measures may not function as projected at the moment in question, other alternative measures might apply if the benchmark ceased or was otherwise unavailable, i.e., the interest rate used during the last Interest Period would be used for the following Interest Period(s), as indicated in the risk factor above entitled "*Settlement and reform of the "benchmark indices" could have a material adverse impact on the Notes indexed to or referring to a "benchmark index"*".

Generally, the occurrence of any event described above could have a material adverse impact on the liquidity, value and yield of any Note.

Moreover, all the aforementioned elements, or any material change in the determination or in the existence of any pertinent rate, could affect the Issuer's ability to honour its obligations in the relation to the Floating Rate Notes, or could have an adverse impact on the value or liquidity, and on the amounts due in respect of the Floating Rate Notes. Investors must take into consideration the fact that the Independent Adviser will have discretionary power to adjust the relevant Successor Rate or Alternative Rate (as applicable) under the circumstances described above. Such an adjustment could have unexpected commercial consequences and there is no guarantee that, given the specific situation of each Noteholder, such an adjustment would be favourable to the Noteholder.

Investors will have to take all these elements into consideration before taking an investment decision on the Floating Rate Notes in question.

***The market continues to develop with respect to risk-free rates as a reference rate for certain Notes***

The use of "risk-free rates" (including overnight rates), such as the €STR, as reference rates for floating rate notes and their adoption as alternatives to the relevant interbank offered rates is being developed on the bond market. Other issuers or operators on the financial markets may use "risk-free rates" in a manner that differs significantly from that set out in the Terms and Conditions of the Floating Rate Notes that reference €STR (see Article 4.3 (Interest on Floating Rate Notes)). The Issuer may in the future issue Notes referencing €STR in a way that could differ materially, in particular in terms of Interest Rate determination, from the provisions set out in the Terms and Conditions of the Floating Rate Notes. The result of the above is that the liquidity of Notes referencing €STR may be reduced and it is not certain that a market will develop for such Notes.

The emerging development of the use of €STR as a reference interest rate for bond markets, as well as the continuous development of rates based on the €STR for these markets and the market infrastructure for the adoption of these rates, could lead to a reduction of liquidity or enhanced volatility or could otherwise affect the market price of the Notes. Interest payable under the Notes which refer to a risk-free rate can only be determined shortly before the relevant interest payment date.

Furthermore, as €STR is published by the European Central Bank, the Issuer has no control over its determination, its calculation or its publication. €STR could be cancelled or fundamentally changed in a way that would be materially unfavourable to interest of Noteholders.

The lag between the adoption of these reference rates on the bond, loan and derivative products markets could have an impact on any hedge or another financial arrangement that they might put in place in the context of any acquisition, holding, or disposal of Notes, which could cause losses for the relevant Noteholder.

If the €STR reference rate were cancelled or could no longer be published in accordance with the Terms and Conditions of the Notes, the applicable rate to be used to calculate the interest rate in respect of the Notes will be determined by using the alternative methods described in Article 4.3 "Interest on Floating Rate Notes" of the Terms and Conditions of the Notes. These methods may lead to the payment of interest rates which are lower than the payments that would have been made for the Notes if the €STR reference rate had been provided by the European Central Bank under its current form, or which are not otherwise correlated in time with these payments. Consequently, an investment in such Notes may include significant risks which are not associated with similar investments in conventional debt instruments.

## GENERAL DESCRIPTION OF THE PROGRAMME

*The following general description must be read together with all other information provided in this Offering Circular. The Notes shall be issued pursuant to the terms agreed between the Issuer and the relevant Dealer(s) and, unless otherwise specified in the applicable Pricing Supplements, they shall be governed by the Terms set out in pages 28 to 64 of this Offering Circular.*

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

**Issuer:** Nouvelle-Aquitaine Region.

**Description of the Programme:** *Euro Medium Term Note Programme* (the **Programme**).

The Notes constitute bonds (obligations) as defined under French law.

**Arranger:** Crédit Agricole Corporate and Investment Bank

**Dealers:** Crédit Agricole Corporate and Investment Bank

HSBC Continental Europe

La Banque Postale

Natixis

Société Générale

The Issuer may, at any time, terminate the appointment of any Dealer under the Programme, or appoint additional Dealers either in respect of one or more Tranches, or in respect of the entire Programme. Any reference made in this Offering Circular to the **Permanent Dealers** refers to the persons listed above as Dealers and to any other person who has been appointed as a Dealer in respect of the whole Programme (and whose appointment has not been terminated) and any reference made to **Dealers** refers to any Permanent Dealer and any other person appointed as Dealer in respect of one or more Tranches.

**Fiscal Agent and Principal Paying Agent:**

Banque Internationale à Luxembourg SA.

**Calculation Agent:**

Unless otherwise stipulated in the relevant Pricing Supplements, Banque Internationale à Luxembourg SA.

**Maximum Amount of the Programme:**

The aggregate nominal amount of the Notes outstanding shall not, at any time, exceed €1,000,000,000.

**Method of Issuance:**

The Notes shall be issued on a syndicated or non-syndicated basis.

The Notes shall be issued by series (each a **Series**), on the same or different issue dates, and shall be governed (with the exception of the first interest payment) by identical terms and conditions; the Notes of each Series are fungible with each other. Each Series may be issued in tranches (each a **Tranche**), on the same issue date or on different issue dates. The

specific terms of each Tranche will appear in the applicable pricing supplements (the **Pricing Supplements**) completing this Offering Circular.

**Currency:** Subject to compliance with all applicable laws, regulations and directives, the Notes may be issued in euro.

**Nominal value(s):** The Notes shall have the nominal value or values indicated in the applicable Pricing Supplements (the Specified Denomination or Denominations). Dematerialised Notes must be issued in a single Specified Denomination. Notes shall have a unit nominal value equal to or greater than €100,000 or any other larger amount that may be authorised or required by the relevant competent authority or any law or regulation applicable to the Specified Currency.

The Dematerialised Notes must be issued with a single Nominal Value.

**Status of the Notes:** The Notes and, as applicable, the Receipts and Coupons attached thereto constitute direct, unconditional, unsubordinated and (subject to the paragraph below) unsecured commitments of the Issuer all ranked the same and (subject to the mandatory exceptions under French law) ranked equally with any other present or future unsubordinated and unsecured commitment of the Issuer.

**Negative pledge:** So long as any Notes or, if applicable, Receipts or Coupons attached thereto are outstanding, the Issuer shall not grant or permit to subsist any mortgage, pledge, lien or other form of security interest on any of its assets, revenues or rights, present or future, to secure any indebtedness, subscribed or secured by the Issuer, present or future, represented by bonds, securities or other negotiable instruments with a maturity greater than one year, and which are (or may be) listed for trading on any market, unless the obligations of the Issuer arising from the Notes and any Receipts and Coupons, benefit from equivalent and equal ranking security.

**Events of Default:** The Terms and Conditions of the Notes define Events of Default, as more fully described in the paragraph "Terms and Conditions of the Notes - Events of Default".

**Redemption Amount:** Except in the event of early redemption or purchase followed by cancellation, the Notes shall be redeemed at the Maturity Date specified in the applicable Pricing Supplements and at the Final Redemption Amount.

**Optional Redemption:** The Pricing Supplements prepared in respect of each issue of Notes will indicate whether or not such Notes may be redeemed at the Issuer's discretion (in whole or in part) and/or at the option of the Noteholders before their stipulated maturity date and, if so, the terms applicable to such redemption.

**Redemption in Instalments:** The Pricing Supplements governing Notes redeemable in two or more instalments shall specify the dates on which said Notes may be redeemed and the amounts to be paid.

- Early Redemption:** Subject to the provisions of the "Optional Redemption" paragraph above, the Notes shall only be subject to early redemption at the option of the Issuer for tax reasons and/or illegality.
- Withholding tax:** All payments of principal, interest or other amounts linked to the Notes, Receipts or Coupons made by or on behalf of the Issuer shall be made without any deduction or withholding tax or duty imposed, levied or collected by or on behalf of France or any authority therein that has power to levy taxes, unless such deduction or withholding is required by law.
- If French law should require that payments of principal or interest in respect of any Note, Receipt or Coupon be subject to a deduction or withholding tax with respect to any taxes or duties whatsoever, present or future, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holders of Notes, Receipts and Coupons receive the full amount that would have been payable in the absence of such deduction or withholding tax subject to certain exceptions described further in the section "Terms and Conditions of the Notes - Taxation" of this Offering Circular.
- Interest Periods and Rates:** For each Series of Notes, the duration of the interest periods, the applicable interest rate and the method of calculation may be the same or different depending on the Notes. The Notes may have a maximum interest rate, a minimum interest rate or both at the same time, it being specified that under no circumstances can the Coupon Amount relating to each Note be less than zero. The Notes may bear interest at different rates during the same interest period through the use of interest accrual periods. All this information shall be included in the applicable Pricing Supplements.
- Fixed Rate Notes:** Fixed interest will be payable when due on the date or dates for each period indicated in the applicable Pricing Supplements.
- Floating Rate Notes:** Floating Rate Notes bear interest at the rate determined for each Series as follows:
- (a) on the same basis as the floating rate specified in the relevant Pricing Supplements applicable to a notional interest rate swap transaction in the relevant Specified Currency, in accordance with the *Fédération Bancaire Française* (the **FBF**) Master Agreement dated June 2013 relating to transactions on forward financial instruments, as supplemented by the Technical Schedules published by the FBF, or
  - (b) by reference to a benchmark rate published on a page provided by a commercial listing service, including, but not limited to, the EURIBOR, the CMS Rate, the TEC10 or the €STR), or
  - (c) if the benchmark index is discontinued, by reference to a successor or alternative rate determined by an Independent Adviser appointed by the Issuer, pursuant to the Terms and Conditions of the Notes,

in each case, as adjusted on the basis of the margins that may be applicable and paid at the dates indicated in the relevant Pricing Supplements.

**Fixed/Floating Rate Notes:** Each Fixed Rate/Floating Rate Note bears interest at a rate (i) that the Issuer may decide to convert at the date specified in the applicable Pricing Supplement from a Fixed Rate to a Floating Rate (or vice-versa) or (ii) which shall be automatically converted from a Fixed Rate to a Floating Rate (or vice-versa) at the date specified in the applicable Pricing Supplements.

**Benchmark discontinuation:** If a Benchmark Event occurs such that any interest rate cannot be determined by reference to the initial benchmark rate or the initial screen rate (depending on the case) indicated in the pertinent Pricing Supplements, the Issuer shall make every reasonable effort to appoint an independent adviser to determine a successor rate, alternative rate or screen rate. Please see Article 4.3(c)(iii) of the Terms and Conditions of the Notes entitled " Benchmark discontinuation" for further details.

**Zero Coupon Notes:** Zero Coupon Notes may be issued at their nominal amount or at a discount and will not bear interest.

**Consolidation:** Notes of one Series may be consolidated with Notes of another Series, as more fully described in paragraph "Terms and Conditions of the Notes – Form, Denomination, Title and Consolidation".

**Form of the Notes:** The Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**).

Dematerialised Notes may be, at the Issuer's option, issued in bearer form (*au porteur*) or in registered form (*au nominatif*) and, in such case, at the option of the relevant Noteholder, either in pure registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*). No physical document of title will be issued in respect of the Notes.

Materialised Notes will only be in bearer form. A Temporary Global Certificate in respect of each Tranche of Materialised Notes will be initially issued. Materialised Notes may only be issued outside France.

**Governing law:** French law. Any disputes relating to the Notes, Coupons or Talons shall be brought before the competent courts of the Paris Court of Appeal (subject to mandatory rules regarding territorial jurisdiction of French courts). No private law enforcement procedures may be taken and no seizure proceedings may be brought against the assets or property of the Issuer as a public law legal entity.

**Clearing systems:** Euroclear France in its capacity as central depositary for Dematerialised Notes and, for Materialised Notes, Clearstream and Euroclear or any other clearing system agreed between the Issuer, the Fiscal Agent and the relevant Dealer(s).

Notes admitted to trading on Euronext Paris shall be cleared by Euroclear France.

<b>Creation of the Dematerialised Notes:</b>	The accounting letter (for syndicated issues) or the admission form (for non-syndicated issues), as appropriate, in respect of each Tranche of Dematerialised Notes must be filed with Euroclear France in its capacity as central depository one Paris business day prior to the issue date of such Tranche.
<b>Creation of the Materialised Notes:</b>	No later than the issue date of each Tranche of Materialised Notes, the Temporary Global Certificate relating to such Tranche shall be deposited with a common depository for Euroclear and Clearstream, or any other clearing system, or indeed may be placed outside any clearing system subject to prior agreement between the Issuer, the Fiscal Agent and the relevant Dealer(s).
<b>Issue price:</b>	The Notes may be issued at par, below par or with an issue premium.
<b>Admission to trading:</b>	On Euronext Paris and/or on any other Regulated Market in the European Economic Area (EEA) and/or on a non-regulated market that may be specified in the applicable Pricing Supplements. The applicable Pricing Supplements may provide that a Series of Notes shall not be listed for trading.
<b>Rating:</b>	<p>The Programme has been rated Aa3 by Moody's France S.A.S. (<b>Moody's</b>). Notes issued under the Programme may be rated or not. The rating of the Notes, if any, shall be specified in the applicable Pricing Supplements. The rating of the Notes may not necessarily be the same as that of the Programme. A rating is not a recommendation to buy, sell or hold Notes and may be suspended, amended or withdrawn by the relevant rating agency at any time.</p> <p>At the date of the Offering Circular, Moody's is established in the European Union and registered pursuant to Regulation (EC) No. 1060/2009 of the European Parliament and the Council dated 16 September 2009 on credit rating agencies as amended (the <b>CRA Regulation</b>).</p>
<b>Selling Restrictions:</b>	<p>There are restrictions relating to the sale of Notes and the distribution of the offering materials in different jurisdictions, please refer to the section "Subscription and Sale".</p> <p>The Issuer falls under Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.</p> <p>The Materialised Notes shall be issued in compliance with Section (U.S. Treas. Reg.) §1.163-5(c)(2)(i)(D) of the regulations of the United States Treasury (the <b>TEFRA D Rules</b>) unless (a) the relevant Pricing Supplements do not stipulate that these Materialised Notes will be issued in accordance with Section (U.S. Treas. Reg.) §1.163-5(c)(2)(i)(C) of the U.S. Treasury regulations (<b>TEFRA C Rules</b>), or (b) the Materialised Notes are not issued pursuant to C Rules or D Rules, but under such conditions that these Materialised Notes shall not constitute "registration required obligations" by the United States Tax Equity and Fiscal Responsibility Act of 1982 (<b>TEFRA</b>), in such case the applicable Pricing</p>

Supplements shall indicate that the transaction is outside the scope of the TEFRA rules.

The TEFRA rules do not apply to the Dematerialised Notes.

## **DOCUMENTS INCORPORATED BY REFERENCE**

I. The following documents, which will be published on the dedicated page of the Issuer's website (<https://www.nouvelle-aquitaine.fr/>) after the date of this Offering Circular, will be deemed to be incorporated by reference and to form an integral part thereof as from their date of publication:

- the latest updated version of the Issuer's administrative accounts, and
- the latest updated version of the Issuer's budget (primary or supplementary).

II. Investors are deemed to have read all the information contained in the documents deemed to be incorporated by reference in the Offering Circular, as if such information were included in the Offering Circular. Investors who have not read this information should do so prior to investing in the Notes.

## **SUPPLEMENT TO THE OFFERING CIRCULAR**

Any new material fact or any substantial error or inaccuracy in the information contained in the Offering Circular, which could significantly influence any assessment of the Notes and which occurs or becomes apparent between the date of the Offering Circular and the start of trading on a regulated market if this event occurs later, must be mentioned, without any unjustified delay, in a supplement to this Offering Circular. The Issuer undertakes to deliver to each Dealer at least one copy of such supplement. The information mentioned in paragraph I of the chapter "Documents Incorporated by Reference" will not be subject to a supplement.

Any supplement to the Offering Circular shall be published on the dedicated page of the Issuer's website (<https://www.nouvelle-aquitaine.fr/>).

## TERMS AND CONDITIONS OF THE NOTES

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

*The Pricing Supplements relating to a tranche of Notes may provide for other terms that replace or modify one or more sections of the Terms and Conditions of the Notes below.*

The Notes are issued by the Nouvelle-Aquitaine Region (the **Issuer** or the **Nouvelle-Aquitaine Region**) in series (each a **Series**), on the same issue date or on different issue dates. Notes from a single Series will be governed (except for the issue date, the issue price, and the first interest payment) by identical terms, Notes of each Series being fungible with one another. Each Series may be issued in tranches (each a **Tranche**), on the same issue date or on different issue dates. The specific terms of each Tranche (including the issue date, the issue price, the first interest payment and the nominal amount of the Tranche), shall be set forth in the pricing supplements (the **Pricing Supplements**) to this Offering Circular. A fiscal agency agreement (as amended and supplemented, the **Fiscal Agency Agreement**) relating to the Notes was signed on 21 October 2021 by the Issuer, Banque Internationale à Luxembourg, a public limited company, as fiscal agent and principal paying agent and the other agents named therein. The current fiscal agent, paying agents and calculation agent(s) (if any) are named below respectively as the **Fiscal Agent**, the **Paying Agents** (a term that includes the Fiscal Agent) and the **Calculation Agent(s)**, collectively the **Agent(s)**. Holders of interest coupons (the **Coupons**) relating to interest-bearing Materialised Notes and, if applicable to such Notes, talons for additional Coupons (the **Talons**) will be known as **Coupon holders** and holders of receipts relating to payments by instalment of the principal of Materialised Notes (the **Receipts**) where principal is redeemable by instalments are respectively referred to as the **Coupon Holders** and the **Receipt Holders**.

Any reference below to **Articles** refers to the numbered articles below, unless the context requires otherwise.

### 1. FORM, DENOMINATION, TITLE AND CONSOLIDATION

#### 1.1 Form

The Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**), as specified in the applicable Pricing Supplements.

- (a) Ownership of Dematerialised Notes shall be established by entry in an account, in accordance with Articles L. 211-3 et seq. of the French Monetary and Financial Code. No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French Monetary and Financial Code) shall be issued in respect of Dematerialised Notes.

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

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

- (b) Materialised Notes are issued in bearer form only. Materialised Notes represented by physical notes (**Physical Notes**) are numbered in series and issued with Coupons (and, if applicable, with a **Talon**) attached, except in the case of Zero Coupon Notes in respect of which references to interest (except in relation to interest due after the Maturity Date), Coupons and Talons in these Terms and Conditions shall not apply. Pursuant to Articles L. 211-3 *et seq.* of the French Monetary and Financial Code, financial securities (such as the Notes which constitute *obligations* as defined under French law) in materialised form and governed by French law must be issued outside France. **Instalment Notes** are issued with one or more Receipts attached.

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

## 1.2 Denomination

The Notes shall be issued in the specified denomination(s) as set out in the relevant Pricing Supplements (the **Specified Denomination(s)**). Dematerialised Notes must be issued in a single Specified Denomination. Notes shall have a specified denomination equal to or greater than €100,000 or any other larger amount that may be authorised or required by any relevant competent authority or any law or regulation applicable to the Specified Currency.

## 1.3 Title

- (a) Ownership of Dematerialised Notes in bearer form and in administered registered form (*au nominatif administré*) is transmitted, and such Notes may be transferred, only by registration of the transfer in the accounts of the Account Holders. Title to Dematerialised Notes in pure registered form (*au nominatif pur*) is transmitted, and such Notes may only be transferred, only by registration of the transfer in the accounts held by the Issuer or the Registration Agent.
- (b) Title to Physical Notes with, if applicable, Coupons, and/or a Talon attached at issue, is transferred by delivery.
- (c) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below in paragraph (d)), Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or any right over or interest in such Note, Coupon or Talon, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

- (d) In these Terms and Conditions:

**Noteholder** or, as appropriate, **Holder of Notes** means (i) in the case of Dematerialised Notes, the person whose name is recorded in the books of the relevant Account Holder, the Issuer or the Registration Agent (as applicable) as being the owner of such Notes and, (ii) in the case of Physical Notes, any holder of any Physical Note and the Coupons or Talons attached thereto.

**Outstanding** means, in respect of Notes of any Series, all of the Notes issued other than (i) those that have been redeemed in accordance with these Terms and Conditions, (ii) those in respect of which the redemption date has passed and the redemption amount (including all interest accrued on such Notes up to such redemption date and all interest payable after such date) has been duly paid in accordance with the provisions of Article 6, (iii) those that are no longer valid or in respect of which claims have become prescribed, (iv) those which have been repurchased and cancelled in accordance with Article 5.7, (v) those which have been purchased and retained in accordance with Article 5.6, (vi) in the case of Physical Notes, (A) those mutilated or defaced Physical Notes that have been surrendered in exchange for replacement Physical Notes, (B) (for the sole purpose of determining the number of Physical Notes outstanding and without prejudice to their status for any other purpose) those Physical Notes allegedly lost, stolen or destroyed and in respect of which replacement Physical Notes have been issued and (C) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Physical Notes in accordance with its terms.

Terms beginning with a capital letter shall have the meaning given to them in the relevant Pricing Supplements. Where no definition is given, such term does not apply to the Notes.

#### **1.4 Consolidation**

The Issuer shall (if specified in the relevant Pricing Supplements), on each Coupon Payment Date occurring after the redenomination date, with the prior consent of the Fiscal Agent (which may not be unreasonably withheld) and without the consent of the Noteholders or Couponholders, by giving notice to the Noteholders as least 30 calendar days in advance in accordance with Article 15, have the right to consolidate the Notes of a Series denominated in euro with the Notes of one or more other Series in issue, provided that such other Notes have the same terms as the Notes for all periods following such consolidation.

## **2. CONVERSION AND EXCHANGE OF NOTES**

### **2.1 Dematerialised Notes**

- (a) Dematerialised Notes issued in bearer form may not be converted into Dematerialised Notes in registered form, whether pure registered form or administered registered form.
- (b) Dematerialised Notes issued in registered form may not be converted into Dematerialised Notes in bearer form.
- (c) Dematerialised Notes issued in pure registered form may, at the option of the Noteholder, be converted into Notes in administered registered form and vice versa. Such option must be exercised by the Noteholder in accordance with article R.211-4 of the French Monetary and Financial Code. Any costs relating to any conversion shall be borne by the relevant Noteholder.

## 2.2 Materialised Notes

Materialised Notes of a Specified Denomination may not be exchanged for Materialised Notes with another Specified Denomination.

## 3. STATUS AND NEGATIVE PLEDGE

The Notes and, as applicable, the Receipts and Coupons attached thereto constitute direct, unconditional, unsubordinated and (subject to the paragraph below) unsecured commitments of the Issuer all ranked the same and (subject to the mandatory exceptions under French law) ranked equally with any other present or future unsubordinated and unsecured commitment of the Issuer.

As long as Notes or Receipts or Coupons, if any, attached to the Notes are outstanding (as defined in Article 1.3(d) above), the Issuer shall not grant or allow the continuation of any mortgage, pledge, lien or other form of real security interest on any of its assets and revenues, present or future, in order to secure a Debt (as defined below) subscribed or guaranteed by the Issuer, unless the Issuer's obligations arising from the Notes and Receipts and Coupons, if applicable, do not benefit from an equivalent security interest with the same rank.

For the purpose of this Article, **Debt** means any debt in respect of a present or future loan represented by bonds, notes or other securities with a maturity longer than one year which are (or which could be) listed for trading on any market.

## 4. CALCULATION OF INTEREST AND OTHER CALCULATIONS

### 4.1 Definitions

In these Terms and Conditions, unless otherwise required by the context, the terms defined below shall have the following meanings:

**Reference Banks** means the institutions designated as such in the applicable Pricing Supplements or, if no institution is specified, four first-tier banks selected by the Calculation Agent on the interbank market (or if necessary, on the money market, the swaps market or the over-the-counter index options market) closest to the Benchmark (which, if the relevant Benchmark is the EURIBOR or €STR shall be the Euro-zone).

**Interest Period Commencement Date** means the Issue Date of the Notes or any other date referred to in the relevant Pricing Supplements.

**Coupon Determination Date** means, in respect of an Interest Rate and an Interest Accrual Period, the date specified as such in the relevant Pricing Supplements or, if no date is specified, the day falling two TARGET Business Days before the first day of such Interest Accrual Period.

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

**Coupon Payment Date** means the date or dates stipulated in the applicable Pricing Supplements.

**Accrued Interest Period Date** means each Coupon Payment Date unless stipulated otherwise in the relevant Pricing Supplements.

**Reference Date** means, for any Note or Coupon, the date on which the amount payable for such Notes or Coupons becomes due and payable or (if any amount due and is not paid, without justification, or there is an unjustified delay in payment) the date on which the outstanding amount is paid in full or (in the case of Materialised Notes if this date is earlier) the day falling seven calendar days after the date on which the holders of such Materialised Notes have been notified that such a payment will be made after a new presentation of said Materialised Notes or Coupons in accordance with the Terms and Conditions, provided that the payment is actually made on such presentation.

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

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

**Specified Currency** refers to euro.

**Specified Duration** means, with respect to any Floating Rate to be determined by Screen Rate Determination on any Coupon Determination Date, the duration specified in the relevant Pricing Supplements, or if no duration is specified, a period of time equal to the Interest Accrual Period, ignoring any adjustment pursuant to Article 4.3(b).

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

**Business Day** means:

- (a) for the euro, a day on which the Trans-European automated real-time gross settlement express transfer system (TARGET 2) (**TARGET**), or any system that replaces such system, is operating (a **TARGET Business Day**); and/or
- (b) in the case of a Specified Currency and/or one or more business centre(s) specified in the relevant Pricing Supplements (the **Business Centre(s)**), a day (other than Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the currency of the Business Centre(s) or, if no currency is indicated, generally in each of the specified Business Centres.

**Margin** means, for an Interest Accrual Period, the percentage or the number for the relevant Interest Accrual Period, as indicated in the relevant Pricing Supplements; it is specified that it may have a positive or negative value or be equal to zero.

**Day Count Fraction** (*Méthode de Décompte des Jours*) means, in respect of the calculation of a coupon amount on any Note for any period of time (from and including) the first day of

such period to (but excluding) the last day in such period (whether or not this period is an Interest Period, referred to hereinafter as the **Calculation Period**):

- (a) if Actual/365 or Actual/365 - FBF is specified in the relevant Pricing Supplements, the actual number of days in the Calculation Period divided by 365 (or, if any portion of said Calculation Period falls within a leap year, the sum of (i) the actual number of days in that Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in the Calculation Period that does not fall within a non-leap year divided by 365);
- (b) if Actual/Actual-ICMA is specified in the relevant Pricing Supplements:
  - (i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Periods that would normally end in one year; and
  - (ii) if the Calculation Period is longer than the Determination Period, the sum:
    - (A) of the number of days in such Calculation Period falling in the Determination Period during which it begins, divided by the product (I) of the number of days in such Determination Period and (II) the number of Determination Periods that would normally end in one year; and
    - (B) the number of days in such Calculation Period falling in the following Determination Period, divided by the product (I) of the number of days in said Determination Period and (II) the number of Determination Periods that would normally end in one year;

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

- (c) If **Actual/Actual - FBF** is specified in the relevant Pricing Supplements, 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 longer than one year, the basis shall be determined as follows:
  - (i) the number of complete years shall be counted from the last day of the Calculation Period;
  - (ii) this number is increased by the fraction for the relevant period calculated as stipulated in the first paragraph of this definition;
- (d) if **Actual/365 (Fixed)** is specified in the relevant Pricing Supplements, the actual number of days in the Calculation Period divided by 365;
- (e) if **Actual/360** is specified in the relevant Pricing Supplements, the actual number of days in the Calculation Period divided by 360;

- (f) if **30/360**, **360/360** or **Bond Basis** is specified in the applicable Pricing Supplements, the number of days in the Calculation Period divided by 360 (i.e. the number of days to be calculated based on a 360-day year of 12 months of 30 days each (unless (i) the last day of the Calculation Period is the 31<sup>st</sup> day of a month and the first day of the Calculation Period is a day other than the 30<sup>th</sup> or 31<sup>st</sup> day of a month, in which case the month in which the last day falls shall not be reduced to a thirty day month or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be extended to a thirty day month));
- (g) if **30/360 - FBF** or **Actual 30A/360 (American Bond Basis)** is specified in the relevant Pricing Supplements, then, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days calculated as for 30E/360 - FBF, subject to the following exception:

where the last day of the Calculation Period is the 31<sup>st</sup> and the first is neither a 30<sup>th</sup> nor a 31<sup>st</sup>, the last month of the Calculation Period shall be deemed to be a month of 31 days.

The fraction is:

$$si \text{ } jj^2 = 31etjj^1 \neq (30,31),$$

then:

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

if not:

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

or:

D1(jj<sup>1</sup>, mm<sup>1</sup>, aa<sup>1</sup>) is the period start date

D2(jj<sup>1</sup>, mm<sup>2</sup>, aa<sup>2</sup>) is the period end date;

- (h) If **30E/360** or **Euro Bond Basis** is specified in the relevant Pricing Supplements, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve (12) 30-day months, without considering the date of the first day or last day of the Calculation Period, unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a thirty-day month) and;
- (i) If **30E/360 - FBF** is specified in the relevant Pricing Supplements, then, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days elapsed during such period, calculated on the basis of a year of twelve (12) 30-day months, subject to the following exception:

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

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

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

**Coupon Amount** means the amount of interest due and, in the case of Fixed Rate Notes, the Fixed Coupon Amount or the Broken Coupon Amount (as defined in Article 4.2), as the case may be, as specified in the relevant Pricing Supplements.

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

**Screen Page** means any page, section, heading, column or any other part of a document supplied by any information service (including without limitation Reuters (**Reuters**)) which may be designated in order to provide a Reference Rate or any other page, section, heading, column or any other part of a document of such information service or any other information service as may replace it, in each case as designated by the entity or organisation providing or responsible for the dissemination of the information appearing on such service to indicate rates or prices comparable to the Reference Rate, unless provided otherwise in the Pricing Supplements.

**Interest Period** means the Period beginning on (and including) the Interest Period Commencement Date and ending on (but excluding) the first Coupon Payment Date as well as each subsequent period beginning on (and including) a Coupon Payment Date and ending on the following Coupon Payment Date (excluded).

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

**Reference Financial Centre** means, for a Floating Rate to be determined on the basis of a Screen Rate Determination on a Coupon Determination Date, the financial centre that may be specified in the applicable Pricing Supplements or, if no financial centre is specified, the financial centre to which the Benchmark is most closely connected (in the case of the EURIBOR) shall be the Euro-zone or, if not, Paris.

**Benchmark** means the Reference Rate (including but not limited to EURIBOR, CMS Rate, TEC10 or €STR) as specified in the relevant Pricing Supplements.

**Interest Rate** means the interest rate payable on the Notes and which is either specified or calculated in accordance with the provisions of these Terms and Conditions as completed by the relevant Pricing Supplements.

**Reference Rate** means the Benchmark for a Representative Amount in the Specified Currency for a period equal to the Specified Duration commencing on the Value Date (if said period is applicable to or compatible with the Benchmark).

**Euro-zone** means the region occupied by the Member States of the EU that have adopted the single currency in accordance with the Treaty.

#### **4.2 Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest calculated on its outstanding nominal amount, as from the Interest Period Commencement Date, at an annual rate (expressed as a percentage) equal to the Interest Rate; this interest is payable when due on each Coupon Payment Date.

If a fixed coupon amount (**Fixed Coupon Amount**) or broken amount (**Broken Coupon Amount**) is specified in the relevant Pricing Supplements, the Coupon Amount payable on each Coupon Payment Date shall be equal to the Fixed Coupon Amount or, if applicable, the Broken Coupon Amount as specified; it shall be payable on the Coupon Payment Date(s) specified in the relevant Pricing Supplements.

#### **4.3 Interest on Floating Rate Notes**

##### **(a) Coupon Payment Dates**

Each Floating Rate Note shall bear interest calculated on its unredeemed nominal amount, as from the Interest Period Commencement Date, at an annual rate (expressed as a percentage) equal to the Interest Rate, payable in arrears (unless provided otherwise in the Pricing Supplements) on each Coupon Payment Date. Said Coupon Payment Date(s) shall be specified in the relevant Pricing Supplements or, if no Coupon Payment Date(s) is/are specified in the relevant Pricing Supplements, the Coupon Payment Date shall mean each date falling at the end of the number of months or at the end of another period as specified in the relevant Pricing Supplements as the Interest Period, which falls after the preceding Coupon Payment Date and, in the case of the first Coupon Payment Date, falling after the Interest Period Commencement Date.

##### **(b) Business Day Convention**

When a date referred to in these Terms and Conditions, which is specified to be adjusted in accordance with a Business Day Convention, falls on a day that is not a Business Day, and if the applicable Business Day Convention is (i) the Floating Rate Business Day Convention, said date shall be postponed to the following Business Day unless it would thereby fall into the next calendar month, in which case (x) said date shall be moved forward to the immediately preceding Business Day and (y) each subsequent date shall be the last Business Day of the month in which said date would have fallen had it not been subject to adjustments, (ii) the Following Business Day Convention, this date shall be postponed to the following Business Day, (iii) the Modified Following Business Day Convention, this date shall be postponed to the following Business Day, unless said date would thereby fall into the next calendar month, in which case this date shall be moved to the immediately preceding Business Day or (iv) the Preceding Business Day Convention, said date will then be moved forward to the immediately preceding Business Day. Notwithstanding the provisions above, if the relevant Pricing Supplements indicated that the Business Day Convention must be applied on a "non-adjusted" basis, the Coupon Amount payable on any date shall not be affected by the application of the relevant Business Day Convention.

##### **(c) Interest Rate for Floating Rate Notes**

The Interest Rate applicable to Floating Rate Notes for each Interest Accrual Period shall be determined in compliance with the provisions below relating to either the FBF Determination or the Screen Rate Determination, depending on the option specified in the relevant Pricing Supplements.

(i) **FBF Determination for Floating Rate Notes**

When FBF Determination is specified in the relevant Pricing Supplements as being the method applicable for the determination of the Interest Rate, the Interest Rate applicable to each Interest Accrual Period shall be determined by the Agent as being a rate equal to the relevant FBF Rate plus or minus, as applicable, (as specified in the relevant Pricing Supplements), the Margin. For the purposes of this sub-paragraph (i), "FBF Rate" in respect of an Interest Accrual Period means a rate equal to the Floating Rate as determined by the Agent for a swap transaction entered into pursuant to an FBF Master Agreement supplemented by the Interest Rate or Currency Swaps Technical Schedule under the terms of which:

- (A) the relevant Floating Rate is as specified in the relevant Pricing Supplements; and
- (B) the Floating Rate Determination Date is as specified in the relevant Pricing Supplements.

For the purposes of this sub-paragraph (i), "Floating Rate", "Agent", and "Floating Rate Determination Date" shall have the meanings given them in the FBF Definitions.

If the section "Floating Rate" in the applicable Pricing Supplements provides that the interest rate shall be determined by linear interpolation for an Interest Period, the Interest Rate applicable to said Interest Period shall be calculated by the Calculation Agent by linear interpolation between two (2) interest rates based on the relevant Floating Rate, in which the first interest rate corresponds to a maturity immediately less than the duration of the relevant Interest Period and the second rate corresponds to a maturity immediately greater than the same relevant Interest Period.

(ii) **Screen Rate Determination for Floating Rate Notes**

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

- (A) if the primary source for the Floating Rate is a Screen Page, subject to what is specified below in Article 4.3(c)(iii), the Interest Rate shall be:
  - I. the Benchmark (when the Benchmark on said Screen Page is a composite quotation or is customarily supplied by one entity), or
  - II. the arithmetic mean of the Benchmarks of the entities whose Benchmarks appear on that Screen Page,

in each case as published on said Screen Page, at the Reference Time on the Coupon Determination Date, as indicated in the relevant Pricing Supplements, decreased or increased, as appropriate (as indicated in the relevant Pricing Supplements), by the Margin;

- (B) if the primary source for the Floating Rate is Reference Banks or if sub-paragraph (A)(I) applies and no Reference Rate appears on the Screen Page at the Reference Time on the Coupon Determination Date, or if sub-paragraph

(A)(II) applies and fewer than two Reference Rates appear on the Screen Page at the Reference Time on the Coupon Determination Date, the Interest Rate, subject to what is provided below or (is applicable) in Article 4.3(c)(iii) (*Benchmark discontinuation*) below, shall be equal to the arithmetic mean of the Reference Rate that each of the Reference Banks is quoting to first-tier banks in the Reference Financial Centre at the Reference Time on the Coupon Determination Date, as determined by the Calculation Agent, decreased or increased, as applicable (as indicated in the relevant Pricing Supplements), by the Margin; and

- (C) if sub-paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are offering Benchmarks, the Interest Rate, subject to the stipulations below or (if applicable) in Article 4.3(c)(iii) (*Benchmark discontinuation*) below, shall be equal to the arithmetic mean of the annual rates (expressed as a percentage) that the Calculation Agent determines to be the rates (the closest possible to the Benchmark) applicable to a Representative Amount in the Specified Currency that at least two out of five (5) first-tier banks selected by the Calculation Agent in the Euro-zone, (the **Principal Financial Centre**) are offering at or about the Reference Time on the date on which such banks would customarily quote such rates for a period beginning on the Value Date and equivalent to the Specified Duration (I) to first tier banks conducting business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are quoting such rates to first tier banks in Europe) (II) to first tier banks conducting business in the Principal Financial Centre; it is understood that, when fewer than two of these banks are quoting such rates to first tier banks in the Principal Financial Centre, the Interest Rate shall be the Interest Rate determined on the previous Coupon Determination Date (after readjustment taking into account any difference in Margin, Multiplier Coefficient, or Maximum or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

If the paragraph "Benchmark" in the applicable Pricing Supplements provides that the rate shall be determined by linear interpolation in respect of an Interest Period, the Interest Rate applicable to said Interest Period shall be calculated by the Calculation Agent by linear interpolation between two (2) rates based on the applicable Benchmark, where the first rate corresponds to a maturity immediately lower than the duration of the relevant Interest Period and the second rate corresponds to a maturity immediately greater than said Interest Period.

- (D) When a Screen Rate Determination is specified in the relevant Pricing Supplements as being the method for the determination of the Interest Rate, and the Reference Rate for the Floating Rate Notes is the CMS Rate, the Interest Rate for each Interest Accrual Period, governed by the provisions set forth below, subject to the provisions of Article 4.3(c)(iii), shall be determined by the Calculation Agent using the following formula:

$$\text{CMS Rate} + \text{Margin}$$

If the Relevant Screen Page is not available, the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Reference Swap Rate at or about the Specified Time on the Coupon Determination Date. If at least three of the CMS Reference

Banks provide the Calculation Agent with such quotations, the CMS Rate for such Interest Accrual Period shall be the arithmetic mean of such quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

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

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

**CMS Rate** means the swap rate applicable for swap transactions in the Specified Currency for which the maturity is the Specified Duration, expressed in percentage, which appears on the Screen Page at the Reference Time on the relevant Coupon Determination Date, as determined by the Calculation Agent.

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

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

- (E) When a Screen Rate Determination is specified in the applicable Pricing Supplements as being the method for determining the Interest Rate, and the Reference Rate for the Floating Rate Notes is specified as the TEC10, the Interest Rate for each Interest Accrual Period, subject to the provisions set forth above, shall be determined by the Calculation Agent using the following formula:

$$\text{TEC10} + \text{Margin.}$$

**TEC 10** means the estimate offered (expressed as an annual percentage) for the EUR-TEC10-CNO<sup>(1)</sup> calculated by the French Bond Association (*Comité de Normalisation Obligataire* — "CNO"), published on the relevant Screen Page, which is the **TEC 10** line on the Reuters CNOTEC10 Screen Page, or any page that succeeds it, at 10:00 am, Paris time, on the Coupon Determination Date in question.

If, on any Coupon Determination Date, the TEC10 does not appear on the Reuters CNOTEC Screen Page or any page that succeeds it, (i) it shall be

determined by the Calculation Agent on the basis of the prices on the intermediate market for each of the two references for French Treasury Bills (*Obligations Assimilables du Trésor* — "OAT") which would have been used by the French Bond Association to calculate the rate in question, estimated in each case by five Primary Dealers at around 10:00 am, Paris time, on the Coupon Determination Date in question; (ii) the Calculation Agent shall ask each Primary Dealer to provide it with an estimate of their prices; and (iii) the TEC10 shall be the redemption yield of the arithmetic mean of these prices, determined by the Calculation Agent after elimination of the highest estimate and the lowest estimate. The redemption yield cited above shall be determined by the Calculation Agent using the formula that would have been used by the French Bond Association to determine the relevant rate.

*(1) For information, the EUR-TEC10-CNO, established in April 1996, is the yield percentage (rounded to the nearest hundredth, and 0.005 percent is rounded up to the higher hundredth) of a 10-year notional OAT (Obligations Assimilables du Trésor) corresponding to the linear interpolation between the yield until maturity of the two existing OATs (the **Reference OATs**) for which the periods until maturity are the closest in duration to the 10-year notional OATs, and the duration of one Reference OAT is less than 10 years and the duration of the other Reference OAT is greater than 10 years.*

- (F) Where Screen Rate Determination is specified in the relevant Pricing Supplements as being the method applicable for determining the Interest Rate and the Reference Rate for such Floating Rate Notes is €STR, the Interest Rate for each Interest Accrual Period shall, except as provided below, equal the rate of return of a daily compound interest investment (with the Euro Short-Term Rate as the reference rate), plus or minus the Margin (if applicable, as specified in the applicable Pricing Supplements), as determined by the Calculation Agent on the Coupon Determination Date, as specified below, the result being rounded, if necessary, to the nearest fifth decimal place, 0.000005 being rounded upwards:

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

Where:

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

**d<sub>0</sub>** is the number of TARGET Business Days in the relevant Interest Accrual Period;

€STR<sub>i-p</sub>JOT means, for any TARGET Business Day falling in the relevant Interest Accrual Period, the €STR on the TARGET Business Day falling on the "p" TARGET Business Day(s) before the relevant TARGET Business Day "i";

**i** is a series of whole numbers from one (1) to d<sub>0</sub>, each representing the relevant TARGET Business Day in chronological order, from, and including, the first

TARGET Business Day of the relevant Interest Accrual Period, to, but excluding the Coupon Payment Date for such Interest Accrual Period;

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

**p** means, for any Interest Accrual Period, the number of TARGET Business Days in the Observation Look-Back Period.

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

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

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

If an ECB Recommended Rate has been recommended and both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the €STR, for each TARGET Business Day in the relevant €STR Observation Period falling on or after the the ECB Recommended Rate Index Cessation Effective Date, shall be determined as if references to €STR were references to Modified EDFR.

Any substitution of €STR, as specified above, shall remain effective until the Maturity Date of the Notes (as specified in the relevant Pricing Supplements) and shall be published by the Issuer in accordance with Article 14.

If the Interest Rate cannot be determined by the Calculation Agent in accordance with the above, (i) the Interest Rate shall be that determined as at the last preceding Coupon Determination Date or (ii) if there is no such preceding Coupon Determination Date, the Interest Rate shall be determined as if the €STR, for each TARGET Business Day in the relevant €STR Observation Period falling on or after the €STR Index Cessation Effective Date, were references to the latest published ECB Recommended Rate or, if EDFR is published on a date subsequent to the date of publication of the latest ECB Recommended Rate, to Modified EDFR or (iii) if there is no preceding Coupon Determination Date and no ECB Recommended Rate, or if no Modified EDFR is available, then the €STR, for each TARGET Business Day in the relevant €STR Observation Period falling on or after the €STR Index

Cessation Effective Date, shall be determined as if references to €STR were references to the latest published €STR rate. A substitution must be made, in each of cases (i), (ii) and (iii) above, where a different Margin, or Maximum Interest Rate or Minimum Interest Rate is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, or Maximum Interest Rate or Minimum Interest Rate relating to the relevant Interest Accrual Period).

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

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

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

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

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

**EDFR Spread** means:

- (1) if no ECB Recommended Rate is recommended before the end of the first TARGET Business Day following the date on which the €STR Index Cessation Event occurs, the arithmetic mean of the daily difference between the €STR and the EDFR for each of the thirty (30) TARGET Business Days immediately preceding the date on which the €STR Index Cessation Event occurred; or
- (2) if an ECB Recommended Rate Index Cessation Event occurs, the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the thirty (30) TARGET Business Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurred.

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

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

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

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

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

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

**€STR Observation Period** means, in respect of any Interest Accrual Period, the period from and including the date falling "p" TARGET Business Days prior to the first day of the relevant Interest Accrual Period (the first €STR

Observation Period beginning on and including the date falling "p" TARGET Business Day(s) prior to the Interest Period Commencement Date) up to, but excluding, the date falling "p" TARGET Business Day(s) prior to the Coupon Payment Date of such Interest Accrual Period (or the date falling "p" TARGET Business Day(s) prior to such earlier date, if any, on which the Notes become due and payable).

**Observation Look-Back Period** means the observation period specified in the relevant Pricing Supplements.

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

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

(iii) **Benchmark discontinuation**

When a Screen Rate Determination is specified in the applicable Pricing Supplements as being the method applicable for determining the Interest Rate, if a Benchmark Event related to the Initial Reference Rate occurs at any time when the Terms and Conditions of the Notes stipulated that the Interest Rate shall be determined by reference to this Initial Reference Rate, the following provisions shall apply and take precedence over the other alternative measures stipulated in Article 4.3(c)(ii)(A) to 4.3(c)(ii)(D), on the understanding that this clause 4.3(c)(iii) shall not apply when the Reference Rate is €STR.

(A) **Independent Adviser**

The Issuer must make reasonable efforts to name an Independent Adviser as soon as this is reasonably possible, in order to determine a Successor Rate or, if not, an Alternative Rate (pursuant to Article 4.3(c)(iii)(B)) and, in each case, a Adjustment Spread, if applicable (pursuant to Article 4.3(c)(iii)(C)) and any Change in the Benchmark (pursuant to Article 4.3(c)(iii)(D)).

An Independent Adviser designated in accordance with this Article 4.3(c)(iii) shall act in good faith as an expert and (in the absence of bad faith or fraud) may not, under any circumstances, be held liable to the Issuer, the Fiscal Agent, the Paying Agents, the Calculation Agent or any other party responsible for determining the Interest Rate specified in the applicable Pricing Supplements, or to the Noteholders for any determination it has made pursuant to this Article 4.3(c)(iii).

(B) **Successor Rate or Alternative Rate**

If the Independent Adviser determines in good faith:

- I. that there is a Successor Rate, then said Successor Rate (subject to the adjustments provided for by Article 4.3(c)(iii)(C)) shall be subsequently used in place of the Initial Reference Rate to determine the relevant Interest Rate or Rates for all subsequent interest payments on the Notes (subject to the subsequent application of this Article 4.3(c)(iii)); or
- II. that there is no Successor Rate, but an Alternative Rate, then said Alternative Rate (subject to the adjustments provided for by Article 4.3(c)(iii)(C)) shall be subsequently used in place of the Initial Reference Rate to determine the relevant Interest Rate or Rates for all subsequent interest payments on the Notes (subject to the subsequent application of this Article 4.3(c)(iii)).

(C) Adjustment Spread

If the Independent Adviser determines in good faith that (i) an Adjustment Spread must be applied to the Successor Rate or the Alternative Rate (as applicable) and (ii) the amount, or a formula or a method for determining said Adjustment Spread, then this Adjustment Spread shall be applied to the Successor Rate or Alternative Rate (as applicable) for each subsequent determination of the Interest Rate in question referring to said Successor Rate or Alternative Rate (as applicable).

(D) Modification of the Benchmark

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Article 4.3(c)(iii) and the Independent Adviser determines in good faith (i) that amendments to the Terms and Conditions of the Notes (including, without limitation, amendments to the definitions of Day Count Fraction, Business Days or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Article 4.3(c)(iii)(E), without any requirement for the consent or approval of Noteholders, vary the Terms and Conditions of the Notes to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In the context of such a change pursuant to this Article 4.3(c)(iii), the Issuer must comply with the rules of the market on which the Notes are listed or admitted to trading at that time.

Following the determination of a Successor Rate or Alternative Rate, the alternative measures provided in Article 4.3(c)(ii)(A) to 4.3(c)(ii)(D) shall apply to the Successor Rate or Alternative Rate, or if applicable, if a Benchmark Rate Event occurs, the Successor Rate or Alternative Rate shall be deemed to be the Initial Reference Rate for the purposes of this Article 4.3(c)(iii).

(E) Notification, etc.

The Issuer shall, after receiving such information from the Independent Adviser, notify the Fiscal Agent, the Calculation Agent, the Paying Agents,

the Representative (if any) and, in accordance with Article 15, the Noteholders, promptly of any Successor Rate, Alternative Rate, Spread Adjustment and the specific terms of any Benchmark Amendments, determined in accordance with this Article 4.3(c)(iii). This notification shall be irrevocable and shall specify the effective date of the Benchmark Amendment, if any.

(F) Alternative measures

If, following the occurrence of a Benchmark Index Event and in relation to the determination of the Interest Rate of the immediately following Coupon Determination Date, no Successor Rate or Alternative Rate (is applicable) is determined in accordance with this provision, the alternative measures relating to the Initial Reference Rate otherwise provided for in Article 4.3(c)(ii) A to 4.3 (c)(ii) (D), being the Interest Rate determined on the preceding Coupon Determination Date, shall continue to apply to such determination (after readjustment to take account of any difference in the Margin, Rate Multiplier or Maximum or Minimum Interest Rate applicable to the preceding Interest Accrual Period and the relevant Interest Accrual Period as indicated, where appropriate, in the applicable Pricing Supplements).

Under such circumstances, the Issuer shall have the right (but not the obligation), at any moment thereafter, to choose to apply the provisions of this Article 4.3(c)(iii), *mutatis mutandis*, one or more times until the Successor Rate or the Alternative Rate (and, if applicable, any Spread Adjustment and/or related Benchmark Amendment) has been determined and notified pursuant to this Article 4.3(c)(iii) (and until such determination and notification (as applicable), the alternative clauses stipulated elsewhere in these Terms and Conditions, including (to avoid any ambiguity) the alternative measures stipulated in Articles 4.3(c)(ii)(A) to 4.3(c)(ii)(D), shall continue to apply in accordance with their terms and conditions unless a Benchmark Event occurs).

(G) Definitions

In this Article 4.3(c)(iii):

**Adjustment Spread** means a spread (that may be positive or negative), or a formula or method of calculating a spread, in all cases, which the Independent Adviser determines and which must be applied to the Successor Rate or the Alternative Rate (as applicable) in order to reduce or eliminate, to the extent possible under such circumstances, any economic disadvantage or advantage (as applicable) for Noteholders resulting from the replacement of the Initial Reference Rate by the Successor Rate or the Alternative Rate (as applicable) and the spread is the formula or method which:

- (i) in the case of a Successor Rate, is formally recommended or formally stipulated by any Competent Nominating Organisation as an option to be adopted by the parties in the context of the replacement of the Initial Benchmark Index by the Successor Rate;
- (ii) in the case of an Alternative Rate (or in the case of a Successor Rate when section (i) above does not apply), is determined by the

Independent Adviser and corresponds to the market practice on the international bond markets for transactions referring to the Initial Reference Rate, when this rate has been replaced by the Alternative Rate (or, if applicable, by the Successor Rate); or

- (iii) if no recommendation or option has been formulated (or made available), or if the Independent Adviser determines that there is no spread, formula or method corresponding to market practice, is determined as appropriate by the Independent Adviser acting in good faith.

**Independent Adviser** refers to an internationally recognised independent financial institution or an independent advisor of recognised quality that has the appropriate expertise, appointed by the Issuer at its own expense pursuant to Article 4.3(c)(iii)(A).

**Benchmark Event** means, in relation to an Initial Reference Rate:

- (i) the Initial Reference Rate which has ceased to exist or to be published;
- (ii) the later of the following cases: (a) the public declaration by the administrator of the Initial Reference Rate that it will cease, no later than on a specific date, publishing the Initial Reference Rate permanently or indefinitely (if no replacement of the administrator has been named to continue publication of the Initial Reference Rate) and (b) the date six months before the date indicated in (a);
- (iii) the public declaration by the supervisor of the administrator of the Initial Reference Rate that the Initial Reference Rate has permanently or indefinitely ended;
- (iv) the later of the following cases: (a) the public declaration from the supervisor of the Initial Reference Rate administrator that the Initial Reference Rate will permanently or indefinitely end, before or no later than a specific date and (b) the date six months before the date indicated in (a);
- (v) the public declaration of the supervisor of the administrator of the Initial Reference Rate that the Initial Reference Rate, in the supervisor's opinion, is no longer representative of an underlying market or its method of calculation has changed significantly;
- (vi) the public declaration by the supervisor of the administrator of the Initial Reference Rate that the Initial Reference Rate will be prohibited from use, or its use will be subject to significant restrictions or adverse consequences, within the next six months in each case;
- (vii) it has or will, prior to the next Coupon Determination Date, become unlawful for the Issuer, the party responsible for determining the Interest Rate (being the Calculation Agent or such other party specified in the relevant Pricing Supplements, depending on the case), or any Paying Agent to calculate any payments due to be made

to any Noteholder using the Original Reference Rate (including, without limitation, under the Regulation (EU) 2016/1011, as amended, as applicable); or

- (viii) that a decision to suspend the approval or registration, pursuant to Article 35 of Regulation (EU) 2016/1011, as amended, of any benchmark administrator previously authorised to publish such Original Reference Rate has been adopted.

**Competent Nominating Organisation** refers to, in relation to a benchmark or a screen rate (as applicable):

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

**Alternative Rate** means an alternative benchmark or alternative screen rate which the Independent Adviser determines pursuant to Article 4.3(c)(iii) and which reflects market practice on the international bond markets in order to determine the interest rates for a corresponding interest period and in the same Specified Currency as the Notes.

**Initial Reference Rate** means the benchmark or the screen rate (as applicable) originally specified for the purpose of determining the relevant Interest Rate for the Notes.

**Successor Rate** means a successor or substitute to the Original Interest Rate which is formally recommended by any Competent Nominating Organisation, and if, following a Benchmark Event, two or more successor or replacement rates are recommended by any Competent Nominating Organisation, the Independent Adviser shall determine which of the successor or substitute rates is the most appropriate, taking into account the specific characteristics of the relevant Notes and the nature of the Issuer.

#### **4.4 Fixed Interest Rate/Floating Interest Rate of the Notes**

Each Fixed Rate/Floating Rate Note bears interest at a rate (i) that the Issuer may decide to convert on the date specified in the relevant Pricing Supplements from a Fixed Rate to a Floating Rate (or inversely) or (ii) which will be automatically converted from a Fixed Rate to a Floating Rate (or vice-versa) on the date specified in the relevant Pricing Supplements.

#### **4.5 Zero Coupon Notes**

Where a Zero Coupon Note is redeemable prior to its Maturity Date by exercise of a Redemption at the Option of the Issuer or, if so specified in the applicable Pricing Supplements, pursuant to Article 5.5 or in any other manner, and such Note is not redeemed on the due date, the amount due and payable prior to the Maturity Date shall be equal to the Early Redemption Amount. As from the Maturity Date, the overdue principal of such Note shall bear interest at a rate per annum (expressed as a percentage) equal to the Yield (as defined in Article 5.5(a)).

#### **4.6 Accrual of interest**

Interest shall cease to accrue on each Note on the due date for redemption unless (a) on such due date, in the case of Dematerialised Notes or (b) upon due presentation, in the case of Materialised Notes, repayment of principal is improperly withheld or refused, in which event interest shall continue to accrue (after as well as before judgment) at the Interest Rate in the manner provided in Article 4 up to the Relevant Date.

#### **4.7 Margin, Rate Multipliers, Minimum and Maximum Interest Rates and Rounding**

- (a) If a Margin or a Rate Multiplier is specified in the relevant Pricing Supplements, (either (x) generally or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Interest Rates, in the case of (x), or the Interest Rates applicable to the relevant Interest Accrual Periods, in the case of (y), calculated in accordance with paragraph (c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin or multiplying the Interest Rate by the Rate Multiplier, subject in each case to the provisions of the following paragraph.
- (b) If a Minimum or Maximum Interest Rate is specified in the applicable Pricing Supplements, this Interest Rate shall be subject to such maximum or minimum, as the case may be, it being specified that under no circumstances shall the Coupon Amount relating to each Note be less than zero.
- (c) For any calculation that must be performed under these Terms and Conditions (unless otherwise specified), (i) if the FBF Determination is specified in the relevant Pricing Supplements, all percentages resulting from such calculations shall be rounded off, if necessary, to the nearest ten thousandth (with halves rounded up), (ii) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest fifth decimal place (with halves being rounded up), and (iii) all numbers shall be rounded to the seventh number after the decimal point (with halves being rounded up).

#### **4.8 Calculations**

The amount of interest payable in respect of any Note for any period shall be calculated by applying the Interest Rate to the non-repaid principal of each Note and by multiplying the result obtained by the Day Count Fraction, unless a Coupon Amount (or Margin or Rate Multiplier) is specified for said period, in which case the amount of interest payable in respect of said Note for this same period shall be equal to said Coupon Amount (or shall be adjusted in accordance with the Margin or a Rate Multiplier as stipulated in Article 4.7 above). If an Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of said Interest Period shall be the sum of the interest payable in respect of each of those Interest Accrual Periods.

#### **4.9 Determination and publication of Interest Rates, Coupon Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**

As soon as possible after the relevant time on the date on which the Calculation Agent may be required to calculate any rate or amount, obtain a quotation, determine an amount or calculation, it shall determine this rate and calculate the Coupon Amounts for each Nominal Value Indicated for the Notes during the corresponding Interest Accrual Period. It shall also calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be. It shall then cause the Interest Rate and the Coupon Amounts for each Interest Period and the relevant Coupon Payment Date and, if required, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents and any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information. If the Notes are listed for trading on a regulated market and the rules of said market require it, it shall also notify said information to this market and/or to the Noteholders as soon as possible after determination, no later than (i) the start of the relevant Interest Period, if the information is determined prior to said date, in the case of a notification of the Interest Rate and Coupon Amount to said market, or (ii) in all other cases, no later than the fourth Business Day after they are determined. Where any Interest Payment Date or Accrued Interest Period Date is subject to adjustment pursuant to Article 4.3(b), the Coupon Amounts and the Coupon 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 each rate or amount, the obtaining of each quotation and each of the determinations or calculations made by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

#### **4.10 Calculation Agent and Reference Banks**

The Issuer shall ensure that there are at all times four Reference Banks (or such other number as may be required) with at least one office in the Reference Financial Centre, except for Notes in respect of which €STR is the applicable Benchmark, and one or more Calculation Agents if so specified in the relevant Pricing Supplements and for so long as any Notes are outstanding (as defined in Article 1.3(d) above). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall, except for Notes in respect of which €STR is the applicable Benchmark, appoint another Reference Bank with an office in the Reference Financial Centre to act as such in its place. If more than one Calculation Agent is named in respect of the Notes, any reference in these Terms and Conditions to the Calculation Agent shall be construed as a reference to each Calculation Agent acting under these Terms and Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for an Interest Period or Interest Accrual Period or to calculate any Coupon Amount, Instalment Amount, Final Redemption Amount, Optional Redemption Amount or Instalment payment or Early Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment bank operating in the interbank market (or, if appropriate, money market, swaps market 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 or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign from its duties before a successor has been named under the conditions described above.

## **5. REDEMPTION, PURCHASE AND OPTIONS**

### **5.1 Redemption at maturity**

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be redeemed on the Maturity Date specified in the relevant Pricing Supplements at its Final Redemption Amount specified in the relevant Pricing Supplements which, unless otherwise provided, equals its nominal amount (except for Zero Coupon Notes), in the case of Notes governed by Article 5.2 below, its final Instalment Amount.

### **5.2 Redemption by instalments**

Unless previously redeemed or purchased and cancelled as provided in this Article 5, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the applicable Pricing Supplements. The outstanding nominal amount of each of these Notes shall be reduced by the corresponding Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of the Note, shall be reduced proportionally) on or after the Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused: (i) in the case of Dematerialised Notes, on the date specified for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, this amount shall remain due until the Reference Date of said Instalment Amount.

### **5.3 Redemption at the option of the Issuer**

If a redemption at the option of the Issuer is specified in the applicable Pricing Supplements, the Issuer may, subject to compliance by the Issuer with all applicable laws, regulations and directives, and on giving not less than 15 and not more than 30 calendar days' irrevocable notice to the Noteholders in accordance with Article 15, redeem all or, if so provided, some of the Notes, as the case may be, on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Each of these redemptions must relate to Notes of a nominal amount at least equal to the minimum nominal amount redeemable as specified in the relevant Pricing Supplements and may not exceed the maximum nominal amount redeemable as specified in the relevant Pricing Supplements.

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

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

In the case of a partial redemption by the Issuer in respect of Dematerialised Notes of any one Series, the redemption shall be made by reducing the nominal amount of such Dematerialised Notes pro rata the nominal amount redeemed.

### **5.4 Redemption at the option of the Noteholders**

If a redemption at the option of the Noteholders is specified in the applicable Pricing Supplements, the Issuer shall, at the request of the holder of any such Note and upon giving not less than 15 and not more than 30 calendar days' irrevocable notice to the Issuer, redeem

such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption. In order to exercise such option, the Noteholder must deposit with a Paying Agent at its specified office by the required deadline a duly completed option exercise notice (the **Exercise Notice**) in the form obtainable during normal office hours from the Paying Agent or Registration Agent, as applicable. In the case of Materialised Notes, the relevant Notes (as well as the Coupons not due and the Talons not exchanged) must be attached to the Exercise Notice. In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paying Agent, as specified in the Exercise Notice. No option that has been exercised or, if relevant, no Note that has been deposited or transferred may be withdrawn without the prior written consent of the Issuer.

## **5.5 Early redemption**

### **(a) Zero Coupon Notes**

- (i) The Early Redemption Amount payable in respect of any Zero Coupon Note shall, upon redemption of such Note pursuant to Article 5.4, 5.5, 5.6 or 5.9 or upon it becoming due and payable as provided in Article 8, be the Amortised Face Amount (calculated as provided below) of this Note.
- (ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any Zero Coupon Note shall be the Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Yield (which, if not otherwise provided in the applicable Pricing Supplements, shall be such rate as would result in an Amortised Face Amount equal to the issue price of the Notes if discounted back to the issue price on the Issue Date) compounded annually.
- (iii) If the Early Redemption Amount payable in respect of each Note upon its redemption pursuant to Article 5.4, 5.5, 5.6 or 5.9 or upon it becoming due and payable in accordance with Article 8, is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note, as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as if the reference therein to the date on which such Note becomes due and payable were a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both after and before any judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date, together with any interest that may accrue in accordance with Article 4.5. Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of one of the Day Count Fractions mentioned in Article 4.1 and specified in the applicable Pricing Supplements.

### **(b) Other Securities**

The Early Redemption Amount due for any other Note, at the redemption of said Note pursuant to Article 5.6 or 5.7, or if this Note becomes due and payable pursuant to Article 8, shall be equal to the Final Redemption Amount (unless otherwise stipulated in the applicable Pricing Supplements) or in the case of Notes governed by Article 5.2 above, at the non-amortised face value plus all accrued interest up to the effective redemption date.

## **5.6 Redemption for tax reasons**

- (a) If, at the time of any repayment of principal and/or payment of interest and/or other amounts, the Issuer is forced to make additional payments pursuant to Article 7.2 below, as a result of changes in French laws and regulations, or for reasons arising from changes in the official application or interpretation thereof after the Issue Date, the Issuer may then, at any Coupon Payment Date or, if this is stipulated in the relevant Pricing Supplements, at any time, provided that it notifies Noteholders in accordance with Article 15, no earlier than 60 calendar days and no later than 30 calendar days prior to said payment (this notice shall be irrevocable), redeem in full or in part only, the Notes at the Early Redemption Amount plus all interest accrued until the redemption date set, provided that the redemption date set in the notice is not earlier than the last date on which the Issuer is able, in practice to make the payment of principal, interest or other amounts without taking French deductions or withholding tax.
- (b) If, on the occasion of the next repayment of principal and/or next payment of interest or other amounts in respect of the Notes or Coupons, the Issuer would be prevented by French law from making payment of the full amount then due and payable to the Noteholders and Coupon holders, notwithstanding the undertaking to pay additional amounts in accordance with Article 7.2 below, the Issuer shall forthwith give notice of such fact to the Fiscal Agent. The Issuer shall, having given seven calendar days' notice to the Noteholders in accordance with Article 15, redeem all, and not some only, of the Notes then outstanding at their Early Redemption Amount, together with all interest accrued up to the date fixed for redemption, as from (i) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount due and payable on the Notes, Receipts or Coupons provided that if the notice referred to above would expire after such Interest Payment Date, the date for redemption to the Noteholders shall be the later of (A) the latest practicable date on which the Issuer could make payment of the full amount then due and payable on the Notes, Receipts or Coupons and (B) 14 calendar days after giving notice to the Fiscal Agent or (ii) if so specified in the applicable Pricing Supplements, at any time, provided that the due date for redemption of which notice hereunder is given shall be the latest practicable date on which the Issuer could make payment of the full amount due and payable in respect of the Notes and, if relevant, any Receipts or Coupons or, if that date is passed, as soon as practicable thereafter.

## **5.7 Purchases**

The Issuer may at any time purchase Notes on or off the stock market (including through a public offer) at any price (provided however that, in the case of Materialised Notes, all non-due Coupons, and all unexchanged Talons relating thereto, are attached to or surrendered with said Materialised Notes), in accordance with applicable laws and regulations.

Notes purchased by or on behalf of the Issuer may, at the option of the Issuer, be retained in accordance with the applicable laws and regulations or cancelled in accordance with Article 5.8.

## **5.8 Cancellation**

Notes purchased for cancellation in accordance with Article 5.7 above shall be cancelled, in the case of Dematerialised Notes, by transfer to an account pursuant to the rules and procedures of Euroclear France and, in the case of Materialised Notes, by delivery to the Fiscal Agent of the relevant Temporary Global Certificate or the Physical Notes in question, together with all Coupons not due, and all unexchanged Talons attached to said Notes, if any, and in each case, if they are so transferred and surrendered, all said Notes shall be, together with all Notes redeemed by the Issuer, immediately cancelled (as well as, in the case of Dematerialised Notes, all rights in respect of payment of interest and other amounts in respect of the

Dematerialised Notes and, in the case of Materialised Notes, all Coupons not due and all unexchanged Talons attached thereto or surrendered at the same time). Any Notes so cancelled or, as the case may be, transferred or surrendered for cancellation may not be re-issued or re-sold and the obligations of the Issuer in respect of any such Notes shall be discharged.

## **5.9 Illegality**

If the entry into force of any new law or regulation in France, any amendment to a law or any mandatory provision or any change in the legal or administrative interpretation thereof by any competent authority, effective after the Issue Date, makes it illegal for the Issuer to apply or meet its obligations under the Notes, the Issuer shall have the right, provided it notifies Noteholders pursuant to the provisions of Article 14, no earlier than 45 calendar days and no later than 30 calendar days prior to said payment (this notice is irrevocable), to redeem all and not some only, of the Notes at the Early Redemption Amount plus all interest accrued up to the date fixed for redemption.

## **6. PAYMENTS AND TALONS**

### **6.1 Dematerialised Notes**

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

### **6.2 Physical Notes**

#### **(a) Method of payment**

Subject to the following, any payment in a Specified Currency must be made by credit or transfer to an account denominated in the Specified Currency, or to which the Specified Currency can be credited or transferred held by the beneficiary, or, at the beneficiary's choice, by cheque denominated in the Specified Currency payable at a bank located in one of the Euro-zone countries.

#### **(b) Presentation and surrender of Physical Notes and Coupons**

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

Any instalment of principal in respect of Physical Notes, other than the last payment, shall, where appropriate, (subject as provided below) be made in the manner described in paragraph

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

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

Fixed Rate Notes represented by Physical Notes must be presented for payment together with all Coupons not due attached thereto (this expression includes, for the purposes herein, Coupons to be issued in exchange for Talons due); if this is not the case, the amount of any missing Coupon not due (or, in the case of a partial payment, the proportion of the amount of said missing Coupon not due corresponding to the amount paid in relation to the amount due) shall be deducted from the amount due. Any amount of principal so deducted shall be paid in the manner described above against surrender of the missing Coupon before 1 January of the fourth year following the due date for payment of such amount, and not under any circumstances thereafter.

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

Where a Floating Rate Note represented by a Physical Note becomes due prior to its Maturity Date, unmatured Coupons and Talons (if any) appertaining thereto (whether or not attached) become void and no payment shall be made or, if relevant, no additional Coupons shall be delivered in respect thereof.

If the redemption date of a Physical Note is not an Interest Payment Date, the interest (if any) accrued on said Note since the previous Interest Payment Date (included) or, if applicable, the Interest Period Commencement Date (included) shall be paid only upon presentation and surrender (if applicable) of the Physical Note in question.

### **6.3 Payments in the United States of America**

Notwithstanding the foregoing, if any Materialised Note is denominated in U.S. dollars, payments in respect thereof may be made at the specified office designated by any Paying Agent in New York in the same manner as provided above if (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (b) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (c) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

### **6.4 Payments subject to tax laws**

All payments shall be subject to any laws, regulations and directives, including fiscal, or other laws and regulations with which the Issuer or its Agents are required to comply, applicable

without prejudice to the provisions of Article 7. No commission or expenses shall be charged to the Noteholders, Receipt holders or Coupon holders in respect of such payments.

## **6.5 Appointment of Agents**

The Fiscal Agent, the Paying Agents, the Calculation Agent and the Registration Agent initially appointed by the Issuer and their respective specified offices are listed at the end of this Offering Circular for the Issuer's Euro Medium Term Note Programme. The Fiscal Agent, the Paying Agents and the Registration Agent act solely as agents of the Issuer, and the Calculation Agents solely as independent experts, and under no circumstances do any of them assume any obligation or relationship of agency for or with any Noteholder or Coupon holder. The Issuer reserves the right at any time to change or terminate the appointment of the Fiscal Agent, any Paying Agent, Calculation Agent or Registration Agent and to appoint any other Fiscal Agent, Paying Agent(s), Calculation Agent(s) or Registration Agent(s) or any additional Paying Agent(s), Calculation Agent(s) or Registration Agent(s), provided that the Issuer shall at all times maintain (a) a Fiscal Agent, (b) one or more Calculation Agents, where the Terms and Conditions so require, (c) a Paying Agent with specified offices in at least two major European cities (providing fiscal agency services in respect of the Notes in France so long as any Notes are admitted to trading on Euronext Paris and applicable market regulations so require), (d) in the case of Dematerialised Notes in pure registered form (*au nominatif pur*), a Registration Agent and (e) any other agent that may be required under the rules of any regulated market on which the Notes may be admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated U.S. dollars in the circumstances described in Article 6.3 above.

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

## **6.6 Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Article 10).

## **6.7 Business Days for payment**

If any payment date in respect of any Note or Coupon is not a business day (as defined below), the Noteholder or Coupon holder shall not be entitled to payment until the following business day, nor to any other sum in respect of this delay. In this paragraph, "business day" means a day (other than a Saturday or Sunday) (a) (i) in the case of Dematerialised Notes, on which Euroclear France is operating, or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open in the financial market of the location where the note is presented for payment, (b) on which banks and foreign exchange markets are open in the countries specified as "Financial Centres" in the applicable Pricing Supplements and (c) which is a TARGET Business Day.

## **6.8 Bank**

For the purposes of this Article 6, **Bank** means a bank established in a city in which banks have access to the TARGET System. In these Terms, **TARGET System** means the Trans-

European automated real-time gross settlement express transfer system (TARGET 2) or any other system that will take its place.

## 7. TAXATION

### 7.1 Withholding tax

All payments of principal, interest or other amounts linked to the Notes, Receipts or Coupons made by or on behalf of the Issuer shall be made without any deduction or withholding for any tax or duty imposed, levied or collected by or on behalf of France or any authority therein that has power to levy taxes, unless such deduction or withholding is required by law.

### 7.2 Additional Amounts

If French law should require that payments of principal, interest or other amounts in respect of any Note, Receipt or Coupon be subject to a deduction or withholding tax for any tax or duty, present or future, the Issuer undertakes, to the fullest extent permitted by law, to increase its payments so that the holders of Notes, Receipts and Coupons receive the full amounts that would have been paid to them in the absence of such deduction or withholding tax; it is specified that the Issuer shall not be required to increase the payments on any Note, Receipt or Coupon in the following cases:

- (a) **Other connection:** the holder of Notes, Receipts or Coupons, or any third party acting on his behalf, is liable to such tax or duty in France by reason of having some connection with France other than the mere holding of the Notes, Receipts or Coupons; or
- (b) **More than 30 calendar days have passed since the Relevant Date:** in the case of Materialised Notes, more than 30 calendar days have passed since the Relevant Date, except where the holder of such Notes, Receipts or Coupons would have been entitled to an additional amount on presentation of the same for payment on the last day of such 30 calendar day period, in which case the Issuer will be required to increase its payments by an amount equal to what it would have been required to pay if the Notes, Receipts or Coupons had been presented on the last day of such 30-day period.

References in these Terms to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and all other amounts in the nature of principal payable pursuant to Article 5 as completed by the Pricing Supplements, (ii) "interest" shall be deemed to include all Coupon Amounts and all other amounts payable pursuant to Article 4 as completed by the Pricing Supplements and (iii) "principal" and/or "interest" shall be deemed to include any additional amounts that may be payable under this Article.

## 8. EVENTS OF DEFAULT

If one of the following events occurs (each is an **Event of Default**), (i) the Representative (as defined in Article 11) on its own initiative or at the request of any Noteholder may, on simple written notification sent on behalf of the Masse (as defined in Article 11) to the Fiscal Agent with a copy to the Issuer, make immediately and automatically due and payable the redemption of all Notes (not simply a portion of said Notes); or (ii) if there is no Representative of the Masse, any Noteholder may, on simple written notification to the Fiscal Agent with a copy to the Issuer, make immediately and automatically due and payable the all the sums due by the Issuer to any Noteholder under the Notes (for both principal and corresponding interest,

including the interests accrued until the effective redemption date), held by the author of the notification, without the need for prior formal notice:

- (a) in the event of default in payment of any amount, whether principal or interest (including the payment of additional amounts, specified in Article 7.2), due by the Issuer in respect of any Note, Receipt or Coupon for more than fifteen (15) calendar days from the due date for such payment; or
- (b) in the event of breach by the Issuer of any provision of the Terms and Conditions of the Notes if such breach is not remedied within a period of thirty (30) calendar days from the receipt by the Issuer of the notification of such breach; or
- (c) in the event that the Issuer is no longer able to meet its mandatory expenditures as defined in Article L.4321-1 of the French General Local Authorities Code or issues a written statement acknowledging such incapacity; or
- (d)
  - (i) In the event of non-redemption or non-payment by the Issuer, for a principal amount exceeding fifty (50) million euros (or its equivalent in any currency), wholly or partially, of one or several of its bank or bond borrowing debts, on their scheduled or early redemption or payment date or, as applicable, after the expiry of any grace period expressly specified by the contractual provisions regulating such borrowing; or
  - (ii) in the event of non-payment by the Issuer for an amount exceeding 50 million (or its equivalent in any currency), in whole or in part, of one or more guarantees given in respect of one or more bank loans or bonds contracted by third parties, where such guarantee(s) is (are) due and payable and is (are) called, unless, in such case, the Issuer challenges in good faith the validity of the enforcement of such guarantee(s) and such challenge has been brought before the competent courts, in which case such failure to pay shall not constitute an Event of Default until such time as a final judgment is rendered;
- (e) in the event the amendment of the legal status or regime of the Issuer, including as a result of a legislative or regulatory amendment, insofar as such modification reduces the rights of the Noteholders against the Issuer or delays the actions of the Noteholders against the Issuer or makes them more difficult or expensive.

It is understood that any event stipulated in (a), (b) or (c) or (d) above shall not constitute an Event of Default, and the time periods indicated therein shall be suspended in the event of notification made by the Issuer to the Fiscal Agent before the expiry of the period in question (if a time period is indicated) of the need, in order to correct said failure or failures, to adopt a budgetary decision to allow the payment of unexpected or additional budget expenses for the debt expense up to (and including) the date on which this resolution becomes enforceable, as from which the suspension of the time periods stipulated above, if any, shall end. The Issuer must notify the Fiscal Agent of the date on which said budgetary decision becomes enforceable. The Fiscal Agent shall address to the Noteholders any notice received from the Issuer pursuant to this Article, in accordance with Article 14.

In the event that such budgetary decision is not voted on and becomes enforceable at the end of a period of four (4) months from the notification regarding the need to adopt such budgetary decision addressed by the Issuer to the Fiscal Agent, the events referred to in 8(a), 8(b), 8(c) and 8(d) above shall constitute an Event of Default and the periods mentioned in 8(a) or 8 (b) shall resume at the end of the four (4) month period.

## 9. PRESCRIPTION

All claims against the Issuer in relation to the Notes and Coupons (except for Talons) shall lapse after four (4) years from 1 January of the year following their respective due dates.

## 10. REPRESENTATION OF NOTEHOLDERS

The Noteholders shall, in respect of all Tranches of a single Series, be grouped together automatically for the defence of their common interests in a masse (the **Masse**). The Masse shall be governed by the provisions of Articles L. 228-46 *et seq.* of the French Commercial Code, except Articles L. 228-71 and R. 228-69 of the French Commercial Code, as supplemented by the present Article 10.

### (a) Legal personality

The Masse will be a separate legal entity, acting in part through a representative (the **Representative**) and in part through collective decisions of the Noteholders (the **Collective Decisions**).

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which may accrue now or in the future under or with respect to the Notes.

### (b) Representative

Pursuant to Article L. 228-51 of the French Commercial Code, the names and addresses of the incumbent Representative of the Masse and his alternate shall be set forth in the applicable Pricing Supplements. The Representative appointed for the first Tranche of a Series of Notes shall be the sole Representative of the Masse for all Tranches of such Series.

The Representative shall receive remuneration for the performance of his functions and duties, if so provided, as indicated in the applicable Pricing Supplements. No supplementary remuneration shall be due with respect to all successive Tranches of a Series of Notes.

In the event of death, resignation or dismissal of a Representative, the alternate Representative shall replace him or her, where appropriate. Another Representative may be appointed.

All interested parties may at any time obtain the names and addresses of the initial Representative and his alternate at the principal office of the Issuer and the specified office of any of the Paying Agents.

### (c) Powers of the Representative

The Representative shall (in the absence of any resolution to the contrary of the Noteholders' General Meeting), have the power to take any management action necessary for the defence of the common interests of the Noteholders.

All legal proceedings brought against or by the Noteholders must be brought by or against the Representative, as the case may be.

### (d) Collective decisions

Collective Decisions shall be adopted in a general meeting (the **General Meeting**) or by approval at the end of a written consultation (the **Written Decision**).

In accordance with Article R.228-71 of the French Commercial Code, each Noteholder shall prove the right to participate in Collective Decisions by registration of his or her Notes either in the registered securities accounts kept by the Issuer, or in the bearer securities accounts kept by an intermediary (if applicable) on the second (2<sup>nd</sup>) business day prior to the date of the Collective Decision at midnight, Paris time.

Collective Decisions must be published in accordance with Article 10(h).

The Issuer must keep a register of Collective Decisions and must make it available, on request, to any subsequent Noteholder of the Notes of such Series.

(A) Noteholders' General Meeting

Noteholders' General Meetings may be held at any time, on convocation either by the Issuer or the Representative. One or more Noteholders, who together hold at least one-thirtieth (1/30<sup>th</sup>) of the nominal amount of the Notes outstanding, may send a request to call a General Meeting to the Issuer and Representative. If a General Meeting has not been called within two (2) months after said request, the Noteholders may assign one Noteholder among them to file a request with the competent court in Paris to name an agent to call a General Meeting.

General Meetings may deliberate validly on first notice only if the Noteholders present or represented hold at least one fifth (1/5<sup>th</sup>) of the nominal amount of Notes outstanding at that time. No quorum will be required at second call. General Meetings shall decide validly with a majority of two thirds (2/3) of the votes cast by the Noteholders attending the Meetings, either in person or by means of a representative.

A notice indicating the date, hour, place and agenda of the General Meeting shall be published in accordance with Article 10(h), at least fifteen (15) calendar days before the date of the Noteholders' General Meeting on the first notice and no less than five (5) calendar days before the date of the General Meeting on the second notice.

Each Noteholder has the right to participate in General Meetings in person, by proxy or by postal ballot. Each Note gives the right to one vote.

Each Noteholder or its representative shall have the right, throughout the fifteen (15) calendar day period preceding the holding of a General Meeting on first notice, or during the period of five (5) calendar days preceding a General Meeting on second notice, to consult or make copies of the text of the resolutions to be proposed and of the reports to be presented at the General Meeting. Such documents will be available for inspection at the principal office of the Issuer, at the specified offices of the Paying Agents and at any other place specified in the notice of such meeting.

(B) Written Decisions and Electronic Consent

At the initiative of the Issuer or the Representative, Collective Decisions may also be taken by Written Decision.

This Written Decision must be signed by, or on behalf of, the Noteholders who hold at least ninety (90) per cent of the nominal amount of the Notes outstanding, without having to meet the requirements for formalities and time periods stipulated in Article 10(d)(A). Any Written Decision shall have, in all points, the same effect as a resolution adopted at a General Meeting of Noteholders. A Written Decision may be materialised in a single document or in several identical format documents, signed by or on behalf of one or more Noteholders.

Under Article L.228-46-1 of the French Commercial Code, Noteholders may also express their approval or rejection of the Written Decision proposed by any electronic communication means that allows them to be identified (the **Electronic Consent**).

Any Written Decision (including a Decision adopted by Electronic Consent) must be published in accordance with Article 10(h).

Notices concerning a request for approval via a Written Decision (including by Electronic Consent) shall be published in accordance with Article 10(h) at least five (5) calendar days before the date set for the adoption of said Written Decision (the **Written Decision Date**). Notices concerning a request for approval via a Written Decision shall contain the conditions of form and the deadlines to be met by the Noteholders who wish to express their approval or rejection of the Written Decision proposed. Noteholders who express their approval or rejection before the Written Decision Date shall agree not to sell their Notes before the Written Decision Date.

(e) Expenses

The Issuer shall pay, upon presentation of the appropriate supporting documents, all expenses incurred in connection with the conduct of the affairs of the Masse, including all expenses relating to notices and the holding of Collective Decisions and, more generally, all administrative expenses adopted by Collective Decisions, provided however that no expenses may be imputed against any interest payable on the Notes.

(f) Single Masse

The holders of Notes of the same Series, (including Noteholders of any other Tranche consolidated in accordance with Article 13) and the holders of the Notes of any series that have been consolidated with another Series in accordance with Article 13, shall be grouped together for the defence of their common interests into a single Masse. The Representative appointed for the first Tranche of a Series of Notes shall be the Representative of the single Masse of the Series.

(g) Single Noteholder

As long as the Notes are held by a single Noteholder, and in the absence of a designated Representative, the relevant Noteholder will exercise all of the powers devolved to the Masse by the provisions of the French Commercial Code, as supplemented by this Article 10. The Issuer must hold (or will arrange for a capable agent to hold) a register of all decisions adopted by the single Noteholder and must make it available, on request by any future Noteholder. A Representative shall be appointed as soon as the Notes of a Series are held by more than one Noteholder.

(h) Notice to Noteholders

Any notice to be sent to the Noteholders pursuant to this Article 10(h) must be sent in accordance with Article 14.5.

In order to avoid any ambiguity in this Article 10, the term "outstanding" will not include the Notes repurchased by the Issuer which are held and cancelled in accordance with the laws and regulations applicable as indicated in Article 5.7.

**11. AMENDMENTS**

The parties to the Fiscal Agency Agreement may, without the consent of the Noteholders or Coupon holders, amend or waive any provisions thereof with a view to remedying any ambiguity or rectifying, correcting or completing any defective provision of the Fiscal Agency Agreement, or in any other manner that the parties to the Fiscal Agency Agreement may consider necessary or desirable but only to the extent that, in the reasonable opinion of the parties, the interests of the Noteholders or Coupon holders are not prejudiced.

**12. REPLACEMENT OF PHYSICAL NOTES, COUPONS AND TALONS**

In the case of Materialised Notes, any Physical Note, Coupon or Talon that has been lost, stolen, defaced or destroyed in whole or in part, may be replaced, in compliance with applicable laws and stock market rules and regulations at the offices of the Fiscal Agent or any other Paying Agent, if any, appointed by the Issuer for such purpose and whose appointment shall be notified to the Noteholders. Such replacement shall be made against payment by the claimant of any fees and expenses incurred in connection therewith and subject to such terms as to proof, security or indemnity (which may provide, inter alia, that in the event that the Physical Note, Coupon or Talon allegedly lost, stolen or destroyed is subsequently presented for payment or, as the case may be, for exchange for additional Coupons, the Issuer shall be paid, at its request, the amount payable by the Issuer in respect of such Physical Notes, Coupons or additional Coupons). Partially destroyed or defaced Materialised Notes, Coupons or Talons must be surrendered before replacements will be issued.

**13. FUNGIBLE ISSUES**

The Issuer shall have the option, without the consent of the holders of Notes or Coupons, to create and issue additional notes that will be consolidated with the Notes already issued to form a single Series, provided that said Notes and additional notes confer on their holders rights that are identical in all respects (or identical in all respects other than the Issue Date, issue price and the first interest payment) and that the terms and conditions of such Notes provide for such consolidation. References to "Notes" in these Terms and Conditions shall be interpreted accordingly.

**14. NOTICES**

14.1 Any notice or notification addressed to the Issuer shall be sent to the following address:

**Nouvelle-Aquitaine Region**  
Direction des Finances et du Budget  
Unit, Resources, debt and treasury management  
14, rue François de Sourdis  
33077 Bordeaux Cedex

Mail: [tresorerie@nouvelle-aquitaine.fr](mailto:tresorerie@nouvelle-aquitaine.fr)

- 14.2 Notices addressed by the Issuer to the holders of Dematerialised Notes in registered form shall be valid either (a) if they are posted to their respective addresses, in which case they shall be deemed to have been delivered on the fourth Business Day after posting or (b) at the Issuer's discretion, if they are published on the website of any relevant regulatory authority or in one of the leading economic and financial daily newspapers with general circulation in Europe. So long as the Notes are admitted to trading on any regulated market and the applicable rules of such market so require, notices shall not be deemed to be valid unless published in an economic and financial daily newspaper with general circulation in the city(ies) in which the Notes are admitted to trading, which in the case of Euronext Paris is expected to be *Les Echos* and in any other manner required, as the case may be, under the applicable rules of such market.
- 14.3 Notices addressed to Noteholders of Materialised Notes and Dematerialised Notes in bearer form shall be valid if published in a leading economic and financial daily newspaper with general circulation in Europe and, so long as the Notes are admitted to trading on any regulated market and the applicable rules of such market so require, notices shall also be published in an economic and financial daily newspaper with general circulation in the city(ies) in which the Notes are admitted to trading, which in the case of Euronext Paris is expected to be *Les Echos*, and in any other manner required, as the case may be, under the applicable rules of such market.
- 14.4 If any such publication is not practicable, the notice shall be validly given if published in a leading economic and financial newspaper with general circulation in Europe, provided however that, so long as the Notes are admitted to trading on any regulated market, notices must be published in any other manner required, as the case may be, under the applicable rules of such regulated market. Noteholders shall be deemed to have had notice of the contents of any notice on the date of publication, or if the notice was published more than once or on different dates, on the date of the first publication as described above. Coupon holders shall be deemed, in all circumstances, to have had notice of the contents of any notice addressed to Noteholders of Materialised Notes in accordance with this Article.
- 14.5 Notices addressed to holders of Dematerialised Notes (whether in registered or bearer form) in accordance with these Terms may be delivered to Euroclear France, Euroclear, Clearstream or any other clearing system through which the Notes are then cleared, instead of posting or publishing the notice as provided in Articles 14.1, 14.2 and 14.3 above, provided however that so long as the Notes are admitted to trading on any regulated market and the applicable rules of such market so require, notices shall also be published in an economic and financial daily newspaper with general circulation in the city(ies) in which the Notes are admitted to trading, which in the case of Euronext Paris is expected to be *Les Echos* and in any other manner required, as the case may be, under the applicable rules of such market.
- 14.6 Notices concerning Collective Decisions pursuant to Article 10 and Article R.228-79 of the French Commercial Code, must be delivered to Euroclear France, Euroclear, Clearstream and to any other clearing systems in which the Notes are then cleared. In order to avoid any ambiguity, Articles 14.1, 14.2, 14.3 and 14.4 are not applicable to these notices.

## **15. GOVERNING LAW, LANGUAGE AND JURISDICTION**

### **15.1 Governing law**

The Notes, Coupons and Talons are governed by French law and must be interpreted accordingly.

## **15.2 Jurisdiction**

Any disputes relating to the Notes, Coupons or Talons shall be brought before the competent courts of the Paris Court of Appeal (subject to mandatory rules regarding territorial jurisdiction of French courts). No private law enforcement measures may be taken and no seizure or attachment proceedings may be brought against the assets or property of the Issuer as a public law legal entity.

## TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES

### 1. TEMPORARY GLOBAL CERTIFICATES

A Temporary Global Certificate in respect of Materialised Notes, without interest coupons, will initially be issued (a **Temporary Global Certificate**) for each Tranche of Materialised Notes, and shall be deposited no later than the issue date of said Tranche with a common depository (the **Common Depository**) for Euroclear Bank SA/NV, as the operator of the Euroclear system (**Euroclear**) and Clearstream Banking S.A. (**Clearstream**). Following deposit of such Temporary Global Certificate with a Common Depository, Euroclear or Clearstream shall credit each subscriber with an amount in principal of Notes equal to the nominal amount so subscribed and paid for.

The Common Depository may also credit the accounts of subscribers of a nominal amount of Notes (if so specified in the applicable Pricing Supplements) with other clearing systems through accounts held directly or indirectly by such other clearing systems with Euroclear and Clearstream. Conversely, a nominal amount of Notes initially deposited with any other clearing system may, in the same manner, be credited to the accounts of subscribers held with Euroclear, Clearstream or other clearing systems.

### 2. EXCHANGE

Each Temporary Global Certificate in respect of Materialised Notes shall be exchangeable, free of charge to the bearer, at the earliest on the Exchange Date (as defined below):

- (a) if the relevant Pricing Supplements indicate that the Temporary Global Certificate is issued in accordance with the C Rules or in a transaction to which the TEFRA rules do not apply (see section "General Description of the Programme - Selling Restrictions:"), in whole but not in part, for Physical Notes; and
- (b) in all other cases, in whole but not in part, after certification, to the extent required under section 1.163-5(c)(2)(i)(D)(4)(ii) of the U.S. Treasury regulations, that the Notes are not held by U.S. persons, for Physical Notes.

### 3. DELIVERY OF PHYSICAL NOTES

On or after the Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. The Issuer shall, in exchange for any Temporary Global Certificate, deliver or procure the delivery of an equal aggregate nominal amount of duly signed and authenticated Physical Notes. For the purposes of this Offering Circular, **Physical Notes** means, in respect of a Temporary Global Certificate, the Physical Notes for which the Temporary Global Certificate may be exchanged (having, if appropriate, attached to them all Coupons in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate, and a Talon). Physical Notes will be security printed in accordance with any applicable legal and stock exchange requirements.

**Exchange Date** means, in relation to a Temporary Global Certificate, the day falling no earlier than 40 calendar days after its issue date, provided however that, in the case of a further issue of Materialised Notes, to be consolidated with such previously mentioned Materialised Notes, issued prior to such day in accordance with Article 13, the Exchange Date may, at the option of the Issuer, be postponed until a date falling at least 40 calendar days after the issue date of such further Materialised Notes.

In the case of Materialised Notes with a minimum maturity of more than 365 days (to which the C Rules do not apply), the Temporary Global Certificate must include the following legend:

**ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE OF 1986) WHO HOLDS THIS NOTE WILL BE SUBJECT TO RESTRICTIONS UNDER UNITED STATES FEDERAL INCOME TAX LAWS, INCLUDING THOSE PROVIDED UNDER SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.**

## **USE OF PROCEEDS**

The net proceeds from the issue of the Notes will be used by the Issuer either:

- (a) for the Issuer's general financing needs; or
- (b) as indicated in the relevant Pricing Supplements for any specific Notes issue for which there is an identified particular use for the proceeds (other than those specified in (a) above).

## DESCRIPTION OF THE ISSUER

### 1. Legal name of the Issuer

The issuer is the Nouvelle-Aquitaine Region (**Nouvelle-Aquitaine Region** or the **Region**), local authority.

### 2. Registered office, geographic location, legal form

#### 2.1.1 Registered office

The headquarters of the Nouvelle-Aquitaine Region is located at 14 rue François de Sourdis CS 81383 33077 Bordeaux Cedex.

The phone number of the Nouvelle-Aquitaine Region's headquarters is +33 (0)5 57 57 80 00.

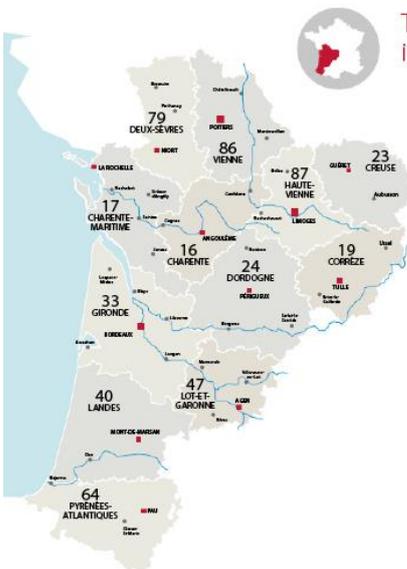
The Nouvelle-Aquitaine Region is represented by its President.

The website of Nouvelle-Aquitaine Region is <https://www.nouvelle-aquitaine.fr>.

Other references are as follows:

- SIRET No.: 20005375900011
- APE/NAF Code: 8411 Z (General public administration)
- LEI (Legal Entity Identifier) is: 9695006XQNPJYFEUTU05

#### 2.1.2 Geographic location



### The largest region in France,

#### A RICH AND DIVERSIFIED AREA

The Nouvelle-Aquitaine region covers an area of 84,100 km<sup>2</sup> with 12 departments.

It is the largest region in France and the 4th most populated with 5.9 million inhabitants<sup>1</sup>.

With its numerous resources, the region is already influential thanks to its complementary industrial sectors (aeronautics, laser, leather and luxury businesses, eco-industries, agri-food, health etc.), as well as its 1,000 km of coastline (including lakes and lagoons), its vast cultural heritage, numerous UNESCO world heritage listed sites and its remarkable natural sites.

<sup>1</sup> INSEE data at 1 January 2016



6 million inhabitants

4<sup>th</sup> most populated region in France



84,000 km<sup>2</sup>

biggest region in France



973 kilometres of very attractive coastline: half of the regional population lives less than 60 km from the ocean



2 mountain ranges and a peak at an altitude of nearly 3,000 m



1/5 of the region's population lives in the greater Bordeaux area



50% of the Nouvelle-Aquitaine population lives in a large urban area (excluding Bordeaux)



A region shaped by vast rural areas, with an average density of 70 inhabitants/km<sup>2</sup> versus 104 in mainland France.

(Source: La région se dévoile)

(Source: SRADDET)

The Nouvelle-Aquitaine Region comprises twelve (12) *départements* (Departments): Charente (16), Charente-Maritime (17), Corrèze (19), Creuse (23), Dordogne (24), Gironde (33), Landes (40), Lot-et-Garonne (47), Pyrénées-Atlantiques (64), Deux-Sèvres (79), Vienne (86) and Haute-Vienne (87). The Region has four thousand three hundred thirteen (4,313) communes (Source: DATAR data from 01/01/2021).

The Nouvelle-Aquitaine Region is characterised by a contrasted landscape over a vast territory of 84,036 km<sup>2</sup>. The west, from La Rochelle to Hendaye is spanned by 720 km of coastline forming the region's natural border with the Atlantic Ocean (excluding estuary shores). Several estuaries, including the Gironde, Adour and Charente estuaries, provide points of entry to the mainland. The Region has a north to south orientation, with vast plains and low-altitude plateaux (between 50 and 200 m) before moving on to the Massif Central foothills in the east, whose highest point is Mont Besson in Limousin at 977 m. The wetlands of the Millevaches Plateau cover a large part of this hilly area. In the south, the Pyrenees foothills stretch from Béarn to French Basque Country. Pic Palas at 2,974 m, south-east of the Atlantic Pyrenees, is the highest point in the region.

The Region has five Regional Nature Parks (*Parcs Naturels Régionaux* — **PNR**):

- Marais-Poitevin,
- Périgord-Limousin,
- Millevaches in Limousin,
- Landes de Gascogne forests,
- Medoc.

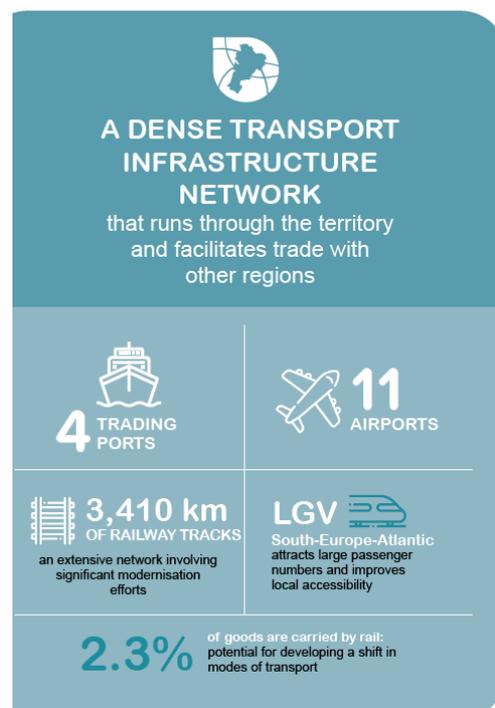
and two nature marine parks (*Parcs Naturels Marins* — **PNM**) out of the five in mainland France (*Source: DATAR data from 01/01/2021*).

### 2.1.3 Transport networks

Located at the crossroads between Paris – Northern Europe and the Iberian Peninsula, two major north – south routes run through the Nouvelle-Aquitaine Region:

- the N10/A10/A63 motorways pass through Bordeaux and Bayonne on their way to Madrid and serve the Atlantic coast;
- the Barcelona-bound A20 motorway, which goes through Limoges and Toulouse.

Two major routes also serve the east from Bordeaux to Clermont-Ferrand – Lyon (A89) and to Toulouse (A62). They are completed in the south by the A64 motorway between Bayonne and Toulouse. The network in the south also includes the A65 motorway which connects Bordeaux and Pau.



*Source: SRADDET of the Nouvelle-Aquitaine Region.*

The Nouvelle-Aquitaine Region's railway network stretches over nearly 3,500 km, nearly 3,200 km of which are open to passenger travel.

Over 40% of this network is electrified. A network on which the TGV high-speed train, Intercités trains and commuter trains offers an additional service to travellers.

The LGV – SEA (High-speed line Sud – Europe Atlantique) between Tours and Bordeaux, has brought Bordeaux within 2.05hrs of Paris and 1.18h of Poitiers.

Two of the seven major metropolitan seaports can be found in the Nouvelle-Aquitaine Region, La Rochelle and Bordeaux, ranking 6th and 7th respectively.

There are other ports: Port of Bayonne run by the regional authority and Rochefort Tonnyay- Charente port by the departmental authority. Each year, the four ports in the region handle more than 20 million tonnes of goods, the equivalent of the Rouen port.

More than 10 million commercial passengers were counted in 2019 in the seven main airports of the Nouvelle-Aquitaine Region, marking a two-fold increase in traffic over 10 years.

This growth exceeds the growth of all French airports taken together: +3.8% of average annual change between 2013 and 2018 in the whole of France compared to +5.5% in Nouvelle-Aquitaine. The strong growth in traffic at Bordeaux-Mérignac (70% of regional traffic, +13.3%) is explained by the opening of new lines and the continued development of traffic by low-cost airlines (+15% between 2018 and 2019) which in 2019 represented half of passengers.

#### 2.1.4 Demography: strong appeal

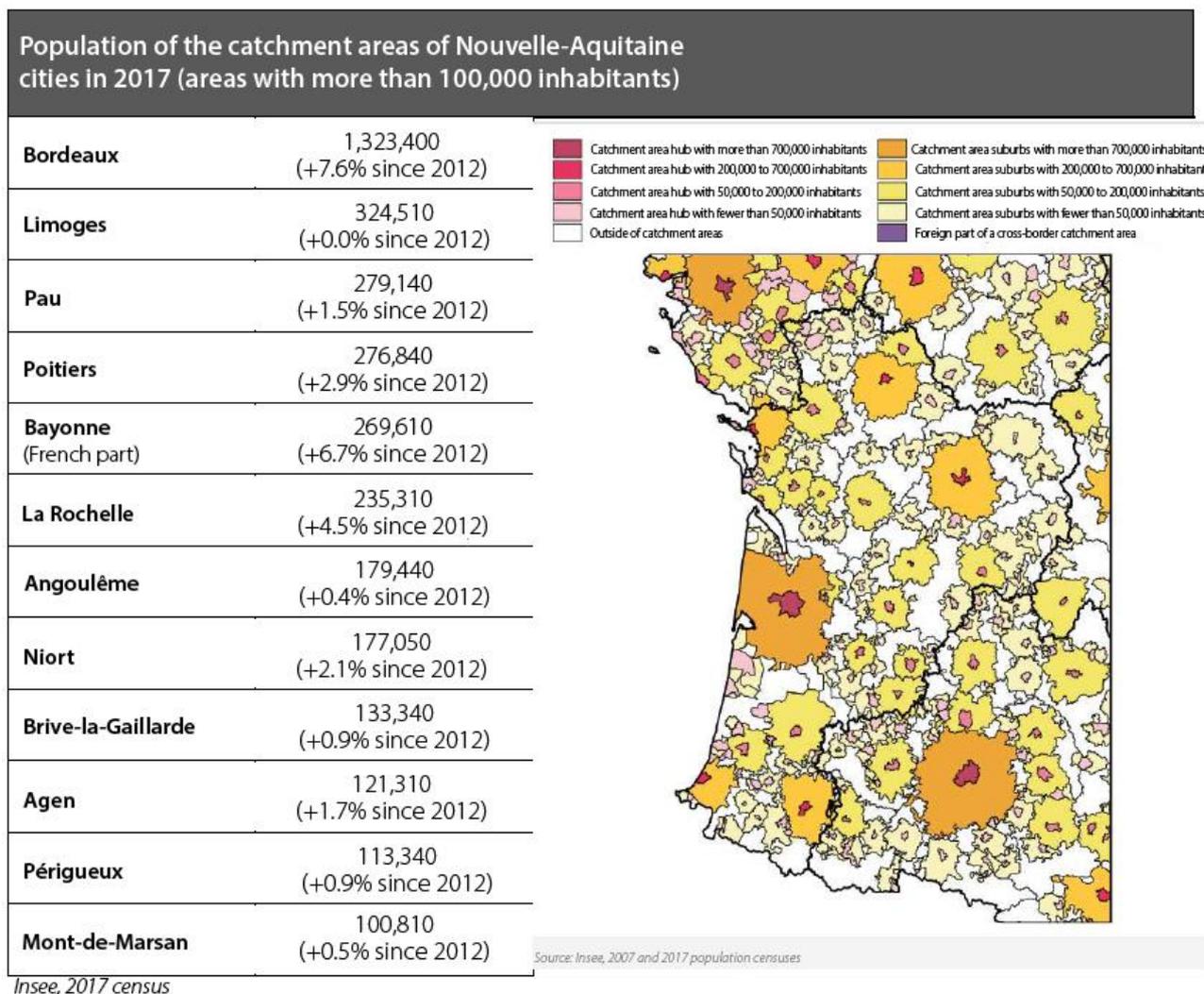
Between 2018 and 2021, Nouvelle-Aquitaine is the 3rd most attractive region in metropolitan France behind Corsica and Occitanie (*Source: Insee, population estimates – March 2021*): each year the migratory surplus contributes up to 0.5% to the population increase (0.1% in national average). Conversely, the natural balance is holding back demographic growth more strongly in other regions (-0.2% each year, versus +0.1% in metropolitan France).

There are proportionately fewer young people and inhabitants of Nouvelle-Aquitaine of working age than the national average. The population ageing index is the second highest in metropolitan France: the region has 115 elderly citizens (65 and over) for 100 young people below 20 years (89 elderly people for 100 young people for the national average).

Regional population at 1 January 2021	Regional rankings
<b>6.0 million inhabitants in Nouvelle-Aquitaine</b>	3 <sup>rd</sup>
+ 59,314 inhabitants since 2018	4 <sup>th</sup>
<b>72 inhabitants/km<sup>2</sup></b>	10 <sup>th</sup>
<b>Structure by age:</b>	
– Under 20 years: 20%	12 <sup>th</sup>
– 20 to 64 years: 54%	10 <sup>th</sup>

– Over 64 years: 25% 1<sup>st</sup>

*Insee, population estimates — March 2021*



In Nouvelle-Aquitaine 51% of the population lives in a rural town (sparsely or very sparsely populated according to the INSEE definition). It is one of the most rural regions of France, after Bourgogne-Franche Comté and Brittany. This rate is only 33% in France (excluding Mayotte).

If we differentiate between rural territories that are influenced by cities from those that are not, the percentage of Nouvelle-Aquitaine inhabitants living outside the pull of a city, one out of seven, is twice higher than that observed at national level. However the population under the influence of a city is predominant (87% of Nouvelle-Aquitaine residents versus 93% of French people) and rising. Since 2012, the number of Nouvelle-Aquitaine citizens living under the influence of a city has risen by 3.0% (2.1% in France). In territories outside the influence of a city, the population shrank over the same period by 0.5% (-0.2% in France). (*Source: Observatoire des territoires-ANCT-2020*)

### 2.1.5 The Issuer's economy

**1° Regional Gross Domestic Product and value added by sector: a faster increase than the national average**

Between 2015 and 2018, the wealth produced on the regional scale has grown faster than at national level. Regional agriculture is the 1st in France in terms of value added produced and represents nearly 18% of the national agricultural value added.

2018 annual regional accounts	Regional rankings (Excluding IDF)
<b>Global GDP in value: 176,801 MC</b> <i>+6% GDP volume since 2015 (+5% in France excluding IdF)</i>	2 <sup>nd</sup>
<b>GDP per capita: €29,569</b>	5 <sup>th</sup>
<b>GDP per job: €72,569</b>	8 <sup>th</sup>
<b>Comprehensive value added in value: €156,954m</b>	2 <sup>nd</sup>
<b>Agriculture, forestry, fishing: €6,565m</b>	1 <sup>st</sup>
<b>Construction: €9,778m</b>	2 <sup>nd</sup>
<b>Industry: €21,721m</b>	4 <sup>th</sup>
<b>Tertiary: €188,890m</b>	4 <sup>th</sup>

*Insee, Regional accounts 2014 base – March 2021*

## 2° Jobs and unemployment

The employment situation improved slightly faster at national level between 2009 (when the lowest employment level was reached as a result of the 2008 crisis) and the 2019 crisis.

Salaried employees are clearly in the majority (86% of jobs), but less than the national average (89%).

The tertiary sector employs more than seven Nouvelle-Aquitaine citizens out of ten, proportionally less than the national average (77% of jobs versus 80%). Over the last ten years, the number of employees in the tertiary sector has increased significantly, even more than the national average. Conversely, agriculture, which is more present than at national level, is the sector with the largest reduction in workforce since 2009. The weight of industry and construction is comparable to what is observed at national level.

In both sectors, although employment has not yet returned to its 2009 level, it has been rising since 2017. In industry, the rhythm of job creations since 2017 has been twice as fast as the national average (+2.5% versus +1.0%). The retreat of industrial jobs in the region over the entire period is thus more limited than in metropolitan France (-1.6% versus -6.1% between 2009 and 2019).

Annual total jobs at 31 December 2019 (pre-Covid crisis)	Region ranking
<b>Total jobs: 2.453 million</b> +8% since 2009 (+7% in mainland F.)	3 <sup>rd</sup>
<b>Breakdown by salaried/non-salaried jobs:</b>	
• <b>salaried: 2.121 million</b> +6% since 2009 (+5% in mainland F.)	3 <sup>rd</sup>
• <b>non-salaried: 0.332 million</b> +23% since 2009 (+26% in mainland F.)	4 <sup>th</sup>
<b>Breakdown by major sector:</b>	
• <b>Agriculture: 110,560</b> -4% since 2009 (-5% in mainland F.)	1 <sup>st</sup>
• <b>Construction: 165,180</b> -1% since 2009 (-1% in mainland F.)	3 <sup>rd</sup>
• <b>Industry: 287,060</b> -2% since 2009 (-6% in mainland F.)	5 <sup>th</sup>
• <b>Non-market services: 790,200</b> +7% since 2009 (+5% in mainland F.)	4 <sup>th</sup>
• <b>Market services: 1,100,390</b> +15% since 2009 (+13% in mainland F.)	3 <sup>rd</sup>

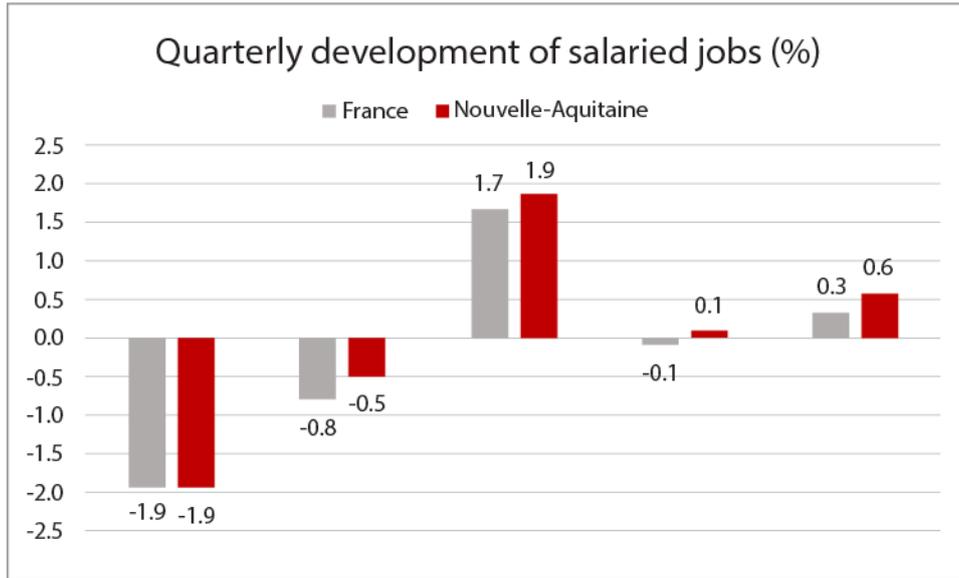
**Breakdown of total jobs by activity sector in 2019**

Sector	Nouvelle-Aquitaine (%)	Mainland France (%)
Agriculture	5%	2%
Construction	7%	6%
Industry	12%	12%
Non-market services	32%	30%
Market services	45%	50%

Insee, localised employment estimates — 2<sup>nd</sup> estimate, 11 May 2021

Four main sectors employ half of the employees in industry: agrifood and beverages, wood-paper-printing, transport materials (automotive manufacturers, aviation, rail and shipping) and metallic metallurgical products.

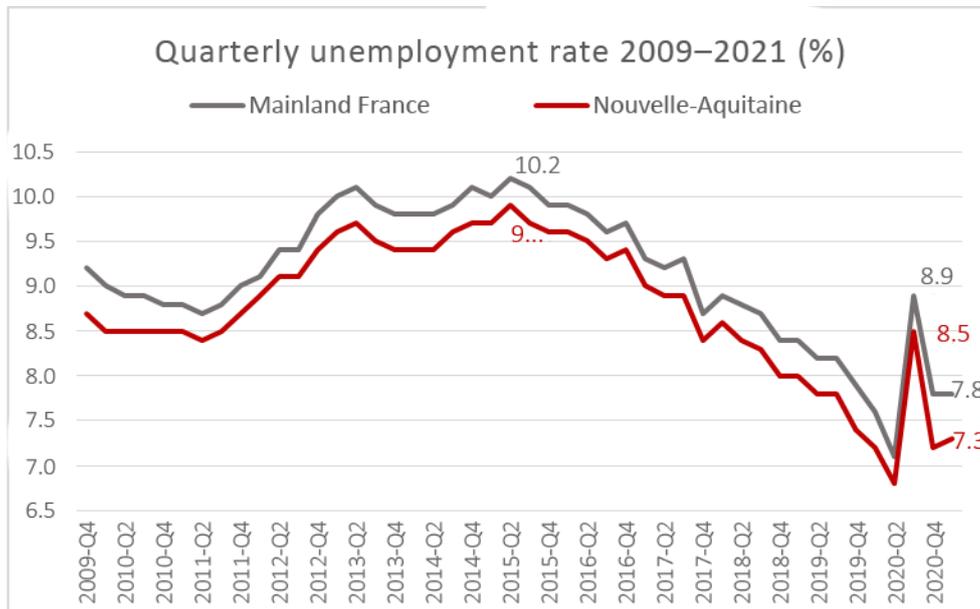
In 2020 and at the start of 2021, regional salaried jobs were more resistant to the COVID-19 crisis: Nouvelle-Aquitaine was the 4<sup>th</sup> least impacted region, behind Corsica, Brittany and Hauts de France. The loss of salaried jobs observed at the height of the crisis was proportionally of the same scope on average as in metropolitan France. There have been more jobs created since the recovery. Between the 4<sup>th</sup> quarter 2019 and the 1<sup>st</sup> of 2021, Nouvelle-Aquitaine returned to its pre-crisis employment level (+1,095 jobs, i.e. +0.1%). At national level, 209,800 jobs were lost over the same period (-0.8%).



*Source: Insee, job estimates*

### Unemployment rate: below the national average

Since the early 1990s, the unemployment rate in Nouvelle-Aquitaine has been below the national average. The trend has been decreasing since the peak reached in mid-2015. Since the onset of the health crisis, it has been necessary to be cautious when analysing developments. The decreases observed in the 2nd quarter and, to a lesser extent, in the 4th quarter are partly "misleading" as a large number of people became idle during the lockdowns since they were unable to actively look for jobs.

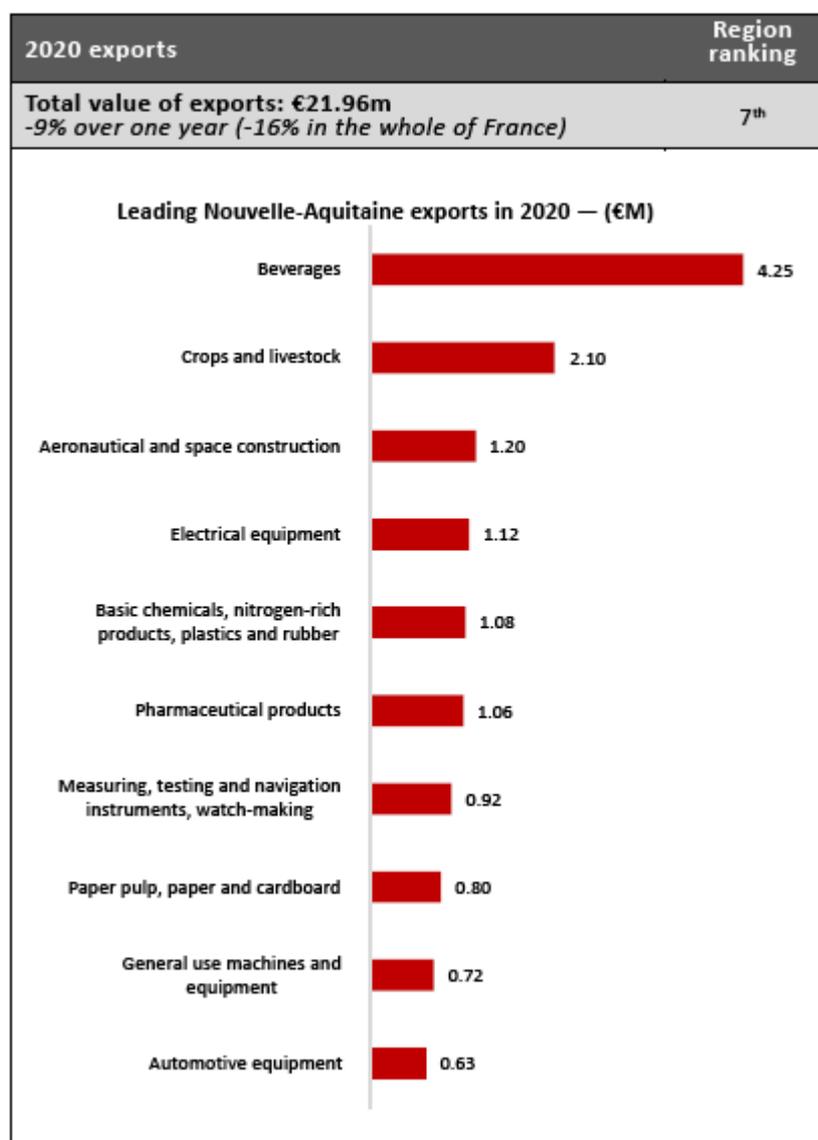


*(Source: INSEE, Employment Survey and Localised Unemployment Rates)*

### 3° Foreign trade: beverages, farming and aviation at the forefront.

Ten products alone account for more than 63% of the total 2020 value of regional exports. For half of them, Nouvelle-Aquitaine is the national leader:

- 1st region with almost a third of the total value of French exports of beverages.
- 2nd region for crops and livestock farming (14% of national exports behind Occitanie) and paper pulp, paper and cardboard (23% of national exports behind the Grand Est region).
- 4th region for aeronautical and space manufacturing (3% of national exports excluding military equipment) and measuring and navigation devices (11% of the national total).



French customs, LeKiosque.finances.gouv — May 2021

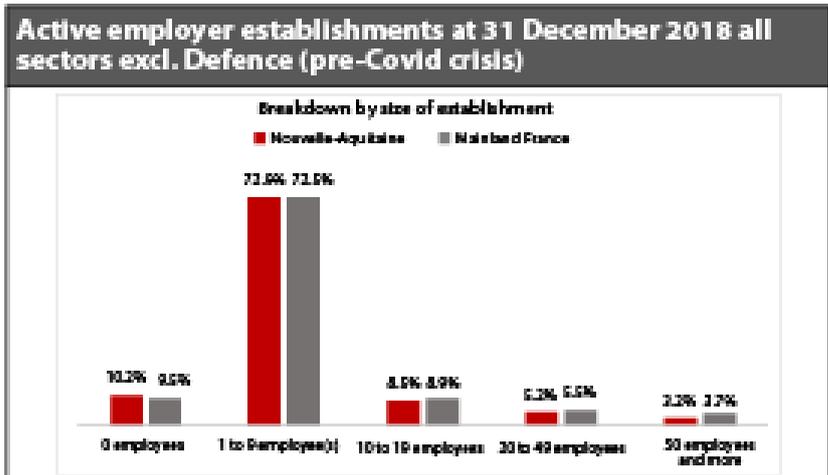
### 4° Business start-ups

Nearly 9% of national companies are located in Nouvelle-Aquitaine. Trade, transport, accommodation and catering account for more than ¼ of active companies, as at national level. (Source: INSEE, Annual Data, Directory of Companies and Establishments (Sirene). (Sirene) — April 2021)

Business services are less present in Nouvelle-Aquitaine than the national average. Conversely, industry and construction have proportionally fewer companies than on average in metropolitan France.



Insee, annual data. Register of Register of enterprises and establishments (Sirene), April 2021



As at national level, the region's establishments are mostly small in size.

Insee, Flores (Fichier Localisé des Rémunérations et de l'Emploi Salarié — Pay and salaried employment localized file), April 2021

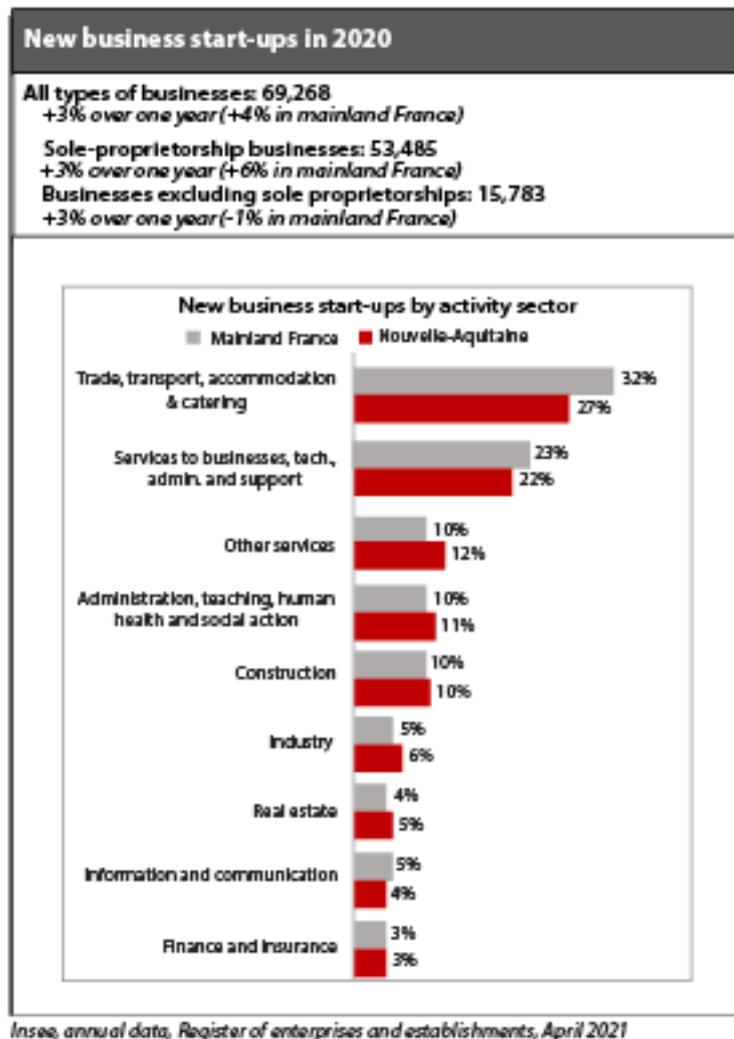
All forms of business creation continued to increase in 2020, despite the crisis, even if the pace slowed compared to previous years.

At the national level, this increase is driven by sole proprietorships (including microenterprises) which make up for the decline in business start-ups observed for other forms of enterprises.

The situation is more balanced in Nouvelle-Aquitaine: start-ups of sole proprietorships and enterprises excluding sole proprietorships increased at the same pace.

One out of two enterprises were started in trade, transport, accommodation and catering or business services. The weight of these sectors is less significant in Nouvelle-Aquitaine (49% of start-ups compared to 55% in metropolitan France).

Between July 2020 and July 2021, 83,000 new businesses were started in Nouvelle-Aquitaine (+30% as in France), to two-thirds of microenterprises.



**Business failures in 2020**

**Number of failures: 2,603**  
-40% year on year (-39% in metropolitan France)

The number of business failures fell by nearly 50% in 2020. The massive support given by French public authorities during the pandemic may have delayed the failures of some companies.

*Insee, Banque de France quarterly data, 28 May 2021*

In the 2<sup>nd</sup> quarter of 2021, 2,400 business failures were recorded in Nouvelle-Aquitaine, reflecting a slight increase (+1.7% compared to the 1<sup>st</sup> quarter).

## 5° Agriculture

The Nouvelle-Aquitaine Region is the leading French region for the value of its agricultural production: 11 billion euro (excluding subsidies) in 2019 (*source: Agreste - agriculture accounts: 2018 half-finalised and 2019 provisional results*).

Crop production, mainly grains and viticulture, represent 66%.

With 70,700 farms listed in 2016, i.e. 16.1% of the total in metropolitan France, Nouvelle-Aquitaine is the leading agricultural region in France and Europe in the total number of farms. It is also the largest in France in terms of utilised agricultural area (UAA): 4.2 million hectares, i.e. 50% of the region's area. (*Source: Agreste Nouvelle-Aquitaine, Mémento de la statistique agricole 2019*)

In contrast to the Landes forest massif, which has a relatively small number of farms, a few areas with a strong agricultural focus are emerging: the Garonne valley, the large wine-growing areas around Bordeaux and Cognac, Poitou, the foothills of the Millevaches plateau and the Basque-Bearn region.

A quarter of the Region's farms are concentrated in the Pyrénées-Atlantiques and Gironde departments.

The great diversity of landscapes, soils and climates in the Nouvelle-Aquitaine Region generates a variety of crops and agricultural production that is confirmed by the diversified specialisations of the territories.

From the Médoc to the Berger area and in Charente, viticulture predominates, geographically concentrated around the two major wine growing areas of Bordeaux and Cognac. 15.8% of the Region's farms are involved in wine production (2016).

A quarter of the Region's farms are involved in field crops. Grain crops play a very important role in regional agriculture, particularly in Poitou-Charentes where wheat dominates, while maize is the predominant crop in Aquitaine, especially in the Landes and the north of the Pyrénées-Atlantiques.

The Region is one of the leading fruit-growing regions in France. Strawberries from Périgord and Lot-et-Garonne, kiwi from Adour, prunes from Agen, fruit from the Garonne valley, apples from Limousin and melons from Charente are the flagship products of the regional sector, which covers the entire region, and more particularly the department of Lot-et-Garonne.

The largest number of farms are involved in livestock farming (48.6%). This is the main activity for nearly three quarters of these farms; the others have a multi-crop, multi-livestock orientation. Cattle farming is particularly developed in the important breeding areas of the Limousin, where it is a strong feature of the land use, as well as in a more dispersed way in the Dordogne and in the Pyrénées-Atlantiques.

Often practised in mountainous areas, sheep farming is particularly important in Pyrénées-Atlantiques, Haute-Vienne and in several cantons of Corrèze, Deux-Sèvres and Vienne.

Goat dairy farming is almost exclusively located in the north of the region (Deux-Sèvres, Vienne) while the foie gras sector is mostly in the Landes and Dordogne.

### Products under quality and origin identification signs (excluding wine) present in the region

Chasselas de Moissac	Greengage
Limousin apples	Adour kiwi fruit
Gariguettes and Ciflorette strawberries: Périgord strawberries	Agen prunes
Haut-Poitou melons Quercy melons	Périgord walnuts
Tarb string beans	Landes sand-grown asparagus
Potatoes from île de Ré	Périgord Limousin chestnuts
White garlic from Lomagne: Pink garlic from Lautrec	Piment d'Espelette

Cheeses: Ossau-Iraty: Rocamadour: Cantal: Sainte-Maure-de-Touraine: Chabichou du Poitou: Bleu d'Auvergne: Toulouse comté cheese: Tomme des Pyrénées	Charentes Poitou butter: Deux-Sèvres butter
Fine de Claire and Pousse en Claire Marennes Oléron oysters	Basque country trout
Bayonne cured ham	Charolais beef: Limousin beef: Bazas, Chalosse, Maine and Anjou, Vendée beef: Parthenaise beef
Anjou geese	Foie gras ducks from Sud-Ouest
Free-range poultry from Auvergne: Poultry from Landes, Béarn, Gascogne, Challans, Gers, Cholet, Vendée, Berry, Val de Sèvres: Périgord poultry	Pyrénées suckling lamb: Pauillac, Limousin Baronet, Périgord, Poitou-Charentes, Quercy lamb: Diamandin lamb
Limousin pork: Vendée pork	Farm veal raised on mother's milk: Limousin veal

Source: Institut national de l'origine et de la qualité 2015

## 6° Tourism

Thanks to its immense natural, cultural, historical and architectural heritage, the Nouvelle-Aquitaine Region draws a large number of tourists.

The Atlantic coastline, which stretches over 720 km of the Charente coast in Basque Country going through the Arcachon Bay and four islands (Ré, Oléron, Aix and Madame) is a major tourist destination, offering a large variety of sites and activities.

Over the entire regional territory, the numerous exceptional natural sites contribute to enhancing the region's appeal: the Pyrénées nature park, the regional nature parks (Landes of Gascogne, Périgord Limousin, Millevaches in Limousin, Marais poitevin wetlands, Médoc), the Dune du Pilat, Bordeaux and Cognac vineyards, the Gironde estuary, Dordogne, Vézère, Charente, Vienne and Sèvre Niortaise valleys, and more.

The region is home to an important historical and architectural heritage: abbeys on the Camino de Santiago route, mediaeval bastides, Romanesque heritage in the Poitiers area, the 17th and 18th century architectural ensemble in Bordeaux, the first in Europe, prehistoric sites and castles in Périgord and Limousin etc.

Nine sites are listed as UNESCO world heritage sites: Bordeaux Port de la Lune, the prehistoric sites and decorated caves of the Vézère Valley (14 sites), the Jurisdiction of Saint-Émilion, the abbey church of Saint-Savin sur Gartempe, the Vauban fortifications of the whole of the estuary lock—the Blaye, Cussac-Fort-Médoc, Fort-Pâté—and Saint-Martin-de-Ré citadels, the Santiago de Compostela paths, the architectural works of Le Corbusier and the Cordouan lighthouse. In addition, the Dordogne basin is classified as a UNESCO World Biosphere Reserve; the Aubusson tapestry and the Limousin septennial ostensions are on the Representative List of the Intangible Cultural Heritage of Humanity.



The region has 27 "Art and history towns and countries", 28 "most beautiful villages in France" and 10 "most beautiful detours in France", which are to be found mainly in the Dordogne, but also in Charente-Maritime, Corrèze and the Pyrénées-Atlantiques. 13 "quaint small towns" can be found throughout the north-western part of the Region.

A diversified range of cultural and recreational activities reinforces the tourist appeal of the Nouvelle-Aquitaine Region, with a large number of museums, places of interest and leisure parks. The most visited leisure sites and facilities (more than 100,000 admissions per year) include the Futuroscope in Poitiers, the Aquarium in La Rochelle, the Palmyre Zoo, the International Comics Festival in Angoulême, the Cité du Vin, the Cité de la Céramique in Limoges, the Rhune tourist train, the Walibi park in Agen, and the museums in Bordeaux.

Two EuroVéloroutes (European biking routes) run through the Region from north to south: the Vélodyssée (474 km entirely open), which runs along the Atlantic seaboard from La Rochelle to Hendaye, and the Scanibérique (815 km, 360 km of which is open), which joins the region at Châtelleraut and leaves it at the Spanish border.

There are over 100,000 tourism-related jobs in the region. The 28 million French and foreign tourists who visit the region each year (pre-COVID-19) spent €14 billion on leisure or business activities, representing 9% of tourism spending in mainland France in 2014. Nouvelle-Aquitaine ranks 5th among French regions in domestic tourism spending (source: Insee 2017).

## 7° Higher education – Research

The Nouvelle-Aquitaine Region has significant resources to promote its university offering in Europe and internationally and to be a flagship region for innovation and the knowledge economy.



It has six university centres: La Rochelle, Poitiers, Limoges, Bordeaux, Bordeaux-Montaigne, Pau and Pays de l'Adour and nearly 120 higher learning schools. The total student population was 212,000 in 2020.

The number of students has increased by nearly 35% since September 2001, faster than at national level (31%). The region thus ranks third in regional rankings for fastest growing student population since 2001.

The progress of students and their graduation success rates reflect the quality of education in the Region's universities. Whatever the degree course, the success rate is significantly higher than the national average, with the exception of Master 2 programmes, which is two points lower.

The Region has about 9,750 engineering students (2020-2021 academic year), twice the number for the 2001-2002 year.

Business, management and accounting schools have a larger number of students than at national level (7% versus 6% of the headcount).

The Region stands out for the substantial weight of short vocational courses (STS and IUT) taken by 17% of the student population, i.e. two points more than at national level.

Regarding research and innovation, the regional policy is to make sure that each major economic sector has a centre of excellence in order to develop the competitiveness of economic players, prepare jobs for tomorrow and build bridges between the world of research and corporations.

The Region is backed in this ambition by 11 competitiveness centres and excellence sectors: aeronautics, digital, advanced materials, blue growth, wood and industry, agrifood and agriculture, green chemicals and eco-processes, photonics, health, tourism, the silver economy, leather, luxury, textile and artistic jobs.

Among other things, it supports major scientific equipment projects: technological resource centres (Alphanov for lasers, Nobatek for sustainable construction etc.), technology transfer platforms such as Canoe for composite materials or the *Institut Scientifique de la Vigne et du Vin* (Institute of Vine and Wine Science), Neurocampus or the PETAL laser in the civil nuclear field.

The Region has undertaken to draw up a Regional Plan for Higher Education, Research and Innovation (*Schéma Régional de l'Enseignement Supérieur, de la Recherche et de l'Innovation* — SRESRI) which reflects the Region's desire to develop a genuine knowledge-based society in Nouvelle-Aquitaine, based on the use of knowledge gained from research to innovate in all fields and to stimulate the creativity of the various regional players. It also seeks to raise the training level of women and men and to make science a core part of society.

## 8° Industry

The industry of the Nouvelle-Aquitaine Region is dominated by four sectors of activity that account for half of the employees in industry. The leading industrial sector of the Region (53,000 salaried jobs in 2018), the

agrifood industry, is developed throughout the region, in particular in the Bordeaux, Brive-la- Gaillarde and Mont-de-Marsan employment zones.

The wood, paper and printing industry (27,000 employees) is also located in many areas, from the north to the south of the region: the Bordeaux employment area, the zones in the centre of the Region (Limoges, Angoulême, Cognac) and the Landes massif (Dax, La-Teste-de-Buch) in particular.

29,000 people are employed in the manufacture of transport equipment. It is most prominent in the employment zones in the west. It mainly comprises aeronautic and space manufacturing in the Bordeaux, Pau, Bayonne and Oloron-Sainte-Marie zones. The companies in this sector provide jobs to a large number of sub-contractors in highly diverse business areas (mechanics, electronics, materials etc.), making this a powerful sector. The automotive industry is located in the Bordeaux, Bressuire, Poitiers and Châtelleraut employment zones. The construction of railway equipment and marine construction are predominant in the La Rochelle and Rochefort employment zones.

Metallurgy and the manufacture of metal products (excluding machines and equipment) provide jobs to 26,000 people in the region. These activities have a significant presence in the Bordeaux, south (Pau, Bayonne), north (Châtelleraut, Niort) employment zones and in the Brive-la-Gaillarde employment zone.



The manufacture of rubber products, plastics and other non-metal products (ceramics in particular) as well as the manufacture of electrical equipment are particularly significant in the centre of the region, in the employment zones of Limoges, Bordeaux and Angoulême. The chemicals industry is one of the main industrial activities of the employment zones of Dax, Pau and Bordeaux, while the pharmaceutical industry is concentrated in the Bordeaux and Agen employment zones.

Cutting-edge, high value-added activities supplement the regional industrial landscape: digital, laser-optics, new energies, green chemicals, sustainable construction, biotechnologies etc.

## **2.1.6 Legal form, organisation and powers**

### **1° Legal form**

For administrative purposes, the French territory is divided into three types of local authority, also known, since the decentralisation law of 2 March 1982, as "*local authorities of the Republic*". These local authorities, to which Article 72 of the French Constitution dedicates the principle of freedom of administration ("*in accordance with the law, these local authorities are freely administered by elected councillors and have the regulatory authority to exercise their powers*"), are the Region, the Department and the Municipality.

Each of these entities, corresponding to a specific geographical area, therefore enjoys its own legal personality and resources which it may dispose of as it sees fit.

Article 72 of the Constitution was supplemented by constitutional law no. 2003-276 of 28 March 2003 on *decentralisation of powers in the French Republic*, which emphasises specialisation while respecting the autonomy of local authorities in relation to each other. Local authorities therefore "are empowered to take those decisions within the scope of their authority which they are best placed to implement at their level". This notion is modelled on the principle of the subsidiarity principle in community law. The idea is to give local authorities the legal means to implement the powers conferred on them by law.

Local authorities can implement joint projects in concert with each other without either local authority having supervisory power over the other. France is divided into 18 *régions* (Regions), including 5 *régions d'Outre-Mer* (Overseas Regions), each encompassing several *départements* (Departments) which themselves encompass several *communes* (Municipalities).

The law allows municipalities to come together for the purpose of preparing joint projects within municipality communities, conurbation communities, urban or metropolitan communities. Thus on 1 January 2021, there were in Nouvelle-Aquitaine, 128 municipality communities, 24 conurbation communities and 2 urban communities (Limoges metropolitan area and Grand Poitiers), as well as the Bordeaux metropolitan area.

The Nouvelle-Aquitaine Region is administered by a Regional Council of 183 members elected for a seven-year term by direct universal suffrage at the last elections on 20 and 27 June 2021. Through its decisions, the Regional Council governs regional matters. Executive power is held by the President of the Regional Council.

The President of the Regional Council, elected by the councillors, prepares and executes decisions of the regional assembly. The President authorises expenditure and decides how regional income shall be allocated, manages the Region's assets and is head of the services created by the Region to exercise its powers. The President may be assisted by vice-presidents who have power within a specific area of regional activity.

The Standing Committee, whose members are elected by the regional councillors, is a sub-commission of the Regional Council. The Regional Council delegates part of its powers to it, except those relating in particular to voting the budget and approving the administrative accounts.

## **2° Organisational structure and functions**

### ***The Regional Council***

The Regional Council of the Nouvelle-Aquitaine Region is made up of one hundred and eighty three (183) members elected for a seven-year term by direct universal suffrage at the last elections of 20 and 27 June 2021.

The hundred eighty three (183) members of the Regional Council of Nouvelle-Aquitaine can be broken down as follows:

- majority: Socialist Party / Place Publique / Apparentés (86), Communist, Ecologiste, Citoyen (10) and PRG Le Centre Gauche (5);
- opposition: Rassemblement national (26), Les Républicains (19), Ecologiste, solidaire et citoyen (19), Centre et indépendants (10), La République en marche (5) and UDI et Territoires (3).

### ***The President:***

The President of the Regional Council is Alain Rousset (Socialist Party).

He is assisted by fifteen (15) vice-presidents who have each been delegated functions in a specific area of the region's work:

- First Vice-President in charge of Economic Development, Innovation and CSR Support for Companies: Andréa BROUILLE
- Second Vice-President in charge of Career Guidance, Education and Youth: Jean-Louis NEMBRINI
- Third Vice-President in charge of Vocational Training, Apprenticeships and Employment: Karine DESROSES
- Fourth Vice-President in charge of the Ecological Transition, Energy and NéoTerra: Guillaume RIOU
- Fifth Vice-President in charge of Health and the Silver Economy: Françoise JEANSON
- Sixth Vice-President in charge of the Local Economy, Tourism and Economic Intelligence: Philippe NAUCHE

- Seventh Vice-President in charge of Finances, Administration, Modernisation, Opening up of Regional Activity: Sandrine DERVILLE
- Eighth Vice-President in charge of Mobility: Renaud LAGRAVE
- Ninth Vice-President in charge of Development, Equal Opportunities throughout the Region and Contractualisation: Laurence ROUEDE
- Tenth Vice-President in charge of Higher Education and Research: Gérard BLANCHARD
- Eleventh Vice-President: in charge of Disabilities, Equality and Anti-discrimination: Catherine LA DUNE
- Twelfth Vice-President: in charge of Agriculture, Agro-ecological Transition, Agri-food, Forestry, Sea and Mountains: Jean-Pierre RAYNAUD
- Thirteenth Vice-President in charge of Social and Solidarity Economy, Integration, Circular Economy, Waste and Social Innovation: Maud CARUHEL
- Fourteenth Vice-President in charge of Sports and Community Life: Philippe LAFRIQUE
- Fifteenth Vice-President in charge of Culture, Heritage and Regional Languages: Charline CLAVEAU

### ***The Standing Committee***

The regional assembly elects the members of the standing committee on a proportional representation basis (all the political groups of the regional assembly are represented on the committee).

The latter comprises the president and the 15 vice-presidents of the Regional Council, as well as several other members of the regional assembly. This body ensures the continuity of actions implemented by the Region and meets on a regular basis to discuss issues that mainly concern the allocation of regional aid. The regional assembly may delegate some of its duties to the Standing Committee except those related to voting on the budget and approving the administrative account (executed budget).

### ***Thematic Committees***

The standing committees, as well as the regional assembly meetings, are always preceded by thematic committee meetings. Each of these committees, in its specific field, reviews the files submitted to it and prepares the decisions of the standing committee and the regional assembly.

The Regional Council has created ten special committees to examine specific issues and prepare for decisions to be taken in those areas.

### ***Regional Economic, Social and Environmental Council***

The Regional Economic, Social and Environmental Council (the *Conseil économique, social et environnemental régional* — **CESER**) of the Regional Council and its President, is an advisory body. It gives its views to the Regional Council, on its request or following compulsory referrals relating to the budget or regional policy blueprints. It can also undertake studies and draft contributions on its own initiative on all areas of economic, social or environmental policy.

Since 2016, the New Territorial Organisation of the Republic (*Nouvelle Organisation Territoriale de la République* — NOTRE) law has strengthened its capacity to contribute to assessments and the monitoring of regional public policies. Thanks to the broad diversity of its members and organised civil society structures, the Council is able to draft and circulate opinions, contributions and reports intended to clarify the decisions taken by public and socio-professional stakeholders.

The new socio-professional assembly now includes 180 members (versus 266 during the transition administration opened in January 2016 with the merger of three former CESERs). These councillors are appointed for six-year terms and are grouped into four bodies:

- 58 represent "businesses and self-employed entrepreneurs";
- 58 represent "the most representative trade unions";
- 58 represent organisations and associations involved in regional community life;
- 6 "qualified experts".

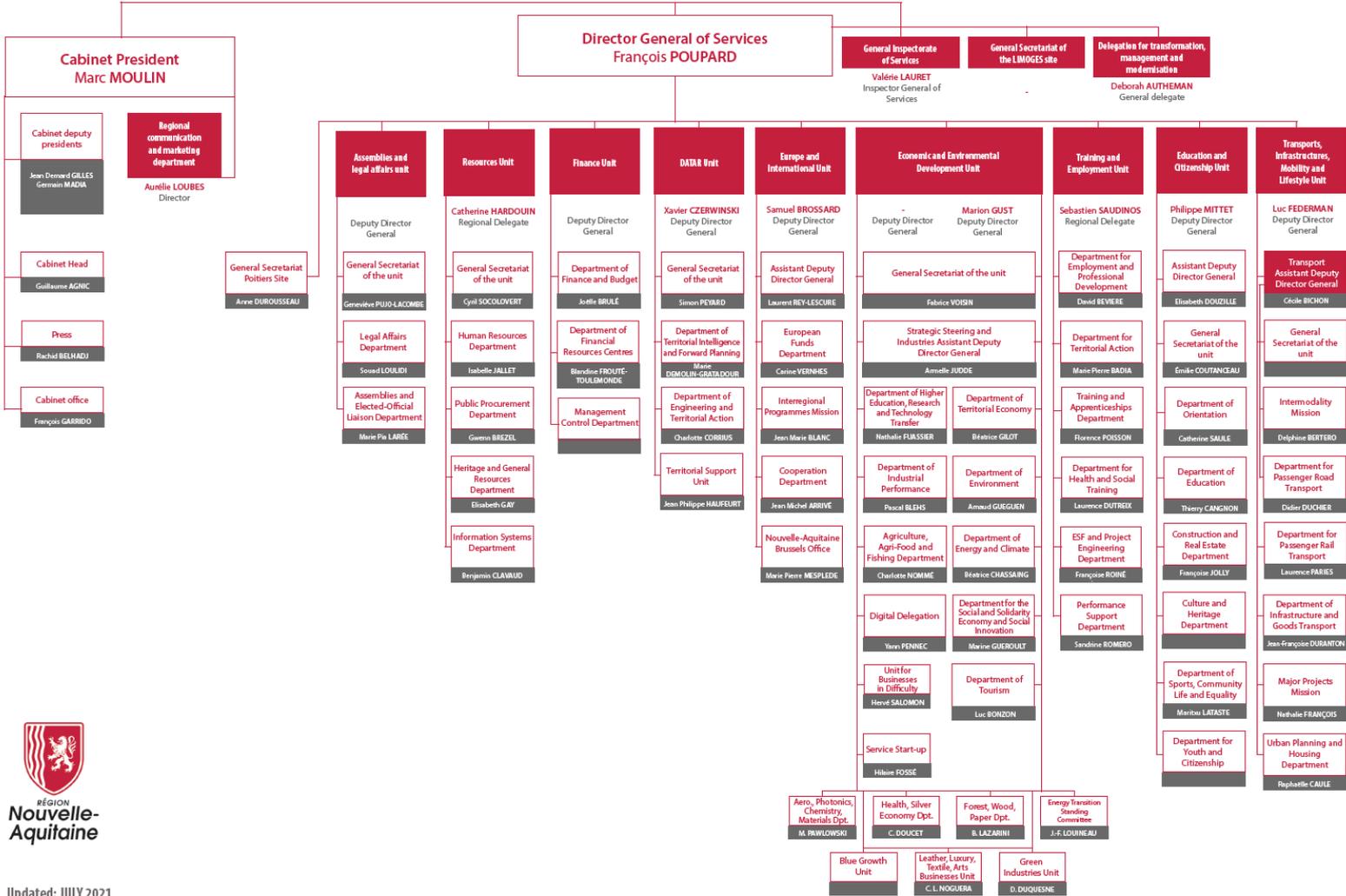
### ***Regional administration***

It had 8,046 full-time employees as at 31 December 2020, including 7,157 civil servants and 889 non-civil servants.

These servants work within the administrative services or in a decentralised manner, in the Region's public high schools.

The Region's services include the Executive Management of Services and 9 divisions:

**Alain ROUSSET — PRESIDENT OF THE NOUVELLE-AQUITAINE REGIONAL COUNCIL**



Updated: JULY 2021  
Design and production: internal communication

The Region also has a General Inspectorate tasked with advising and controlling the organisation and operation of regional services and evaluating regional policies.

In addition, the management control department, within the Finance Division, is responsible for:

- Developing monitoring and steering tools
- Setting up internal management control: cost study, optimisation of resources etc.
- Developing and conducting external management control: mapping the risks of the Region's financial relations with its branch offices, monitoring the financial commitments of the local authority etc.

### 3° Mandates

Since the creation of the Regional Public Establishment in 1972, which became a full-fledged local authority with the decentralisation law of 2 March 1982, French regions have seen the sphere of their mandate expand and diversify over the years and throughout the decentralisation process.

Thus, the regions have a common law mandate to promote economic, social, cultural and scientific development and regional planning. They are therefore responsible for conducting studies on regional development, participating in the financing of public facilities and providing economic assistance.

The regions have also been given the authority to organise continuing vocational training and apprenticeships and public education: they are responsible for building, furnishing and running secondary schools.

Since 1 January 2002, the regions have also been tasked with defining the content of regional public passenger transport services, and in particular destinations, fares, quality of service and user information, as the service management mode is handled by statutory agreement with the SNCF.

The law of 13 August 2004 on local freedoms and responsibilities transferred new mandates to the regions:

- General mandate over all vocational training and apprenticeships, including the responsibility for training and remuneration of long-term job seekers.
- Extension of their mandate in secondary schools regarding hospitality, catering, accommodation and general and technical maintenance.
- Mandate in the field of training for social workers by ensuring the financing of initial training establishments and by allocating aid to students enrolled in these courses.
- Financing of paramedical schools and payment of grants to pupils and students.
- Mandate to conduct a general inventory of the region's cultural heritage.

Lastly, the law of 7 August 2015 on the NOTRe abolished the General mandate clause for the regions and replaced it with limited but strengthened mandates, particularly with regard to support for economic development.

Furthermore, mandates in the field of interurban and school transport were transferred from the departmental councils to the regions on 1 January and 1 September 2017, respectively.

Article L.4221-1 of the GLAC states that *"through its resolutions, the Regional Council manages the Region's affairs in the areas in which it exercises statutory functions. It has power to promote the economic, social, healthcare, cultural and scientific development of the Region, to support affordable and better housing, to support urban policies and regeneration and to promote policies on education, planning, equitable development, the preservation of its identity, regional languages, while respecting the integrity, autonomy and functions of the departments and municipalities."*

The Region's main mandates therefore include:

### ***Economic development***

This is the Region's historical area of operation, which was confirmed in 2004 and reaffirmed in 2015 by the NOTRe law, which stipulates that it is "responsible on its territory for defining economic development guidelines".

Regions are tasked with drafting a Regional Blueprint for Economic Development, Innovation and Internationalisation (SRDEII). This sets the overall strategy for assistance to businesses, support for international relations, assistance for property investment and innovation and for promoting the region's overall attractiveness.



Photo credit © Nouvelle-Aquitaine Region — Alexandre Dupeyron

The Regional Blueprint for Economic Development, Innovation and Internationalisation (SRDEII) was approved by the plenary assembly of the Regional Council of December 2016.

The Regional Council has sole authority to define the aid schemes and to decide on the granting of aid to businesses in the region. Furthermore, the regions support and participate in the management of competitiveness clusters which bring together businesses, research laboratories and training institutes in a single area or around a target theme.

### **Regional planning**

In the field of regional planning, the regions prepare a regional infrastructure, sustainable development and territorial equality plan (*schéma régional d'aménagement, de développement durable et d'égalité des territoires* — SRADDET) which sets the objectives for the territory in terms of territorial balance and equality, the establishment of various infrastructures of regional interest, the opening up of rural areas, housing, the economical management of space and intermodality and development of transport.

The Nouvelle-Aquitaine SRADDET was approved on 27 March 2020 after two years of consultation with local stakeholders.

### **Passenger transport**

Law No. 2000-1208 of 13 December 2000 relating to solidarity and urban renewal stipulated the transfer of the organisation and financing of passenger regional railway services as from 1 January 2002 to all regions. As at 1 January 2002, all the regions thus became organising authorities for express regional trains known as "TER" (*Transport Express Régional*), which comprise regional railway services but also road services run to replace rail services.

To that end, it implements a transport policy aimed in particular at improving infrastructure and equipment (financing of trains, development of urban transport, development of stations etc.) in conjunction with the SNCF, with which it has a TER agreement:

The Region also works alongside the State and in partnership with the departments in the construction and planning of road networks.



responsibility).

It plans, maintains and operates national interest ports and trade and fishing ports. It has the authority to obtain the transfer of ownership from the public river domain and river ports. The operation of the port of Bayonne, property of the Region, is handled by the CCI through a concession agreement.

In addition, pursuant to the provisions of the NOTRe law of 7 August 2015, the Region has also, since 1 January 2017, been conducting policies relating to interurban transport, and since 1 September 2017, policies relating to school transport (excluding care for disabled pupils, which remains a departmental

SRADDET tracks the  
**12 KEY TOPICS**  
on a daily basis:

-  Territorial balance and equality
-  Combating climate change
-  Making remote rural areas more accessible
-  Energy control and recovery
-  Efficient use of space
-  Reducing and managing waste
-  Habitat
-  Air pollution
-  Installation of regional infrastructures
-  Protecting and restoring biodiversity
-  Intermodality and transport development
-  Digital

### ***Secondary schools and the management of their technical staff***

With respect to public education, the regions are responsible for building, renovating, furnishing (office and classroom furniture, machine tools, audiovisual and computer equipment), maintaining and running general secondary schools and agricultural secondary schools and establishments.

The Region has 296 public secondary schools. It is also responsible for hiring and managing, including paying, the non-teaching staff of these institutions (secondary schools regional civil servants).

### ***Employment, vocational training***

Since their creation, the regions have been given the authority to organise vocational training for young people and the unemployed.

They now play a leading role in continuing vocational training while contributing to the funding of job support and workplace integration schemes.

The Region's role in this area was strengthened by Law No. 2004-809 of 13 August 2004 *relating to local freedoms and responsibilities*. The law gave regions the authority to define and implement vocational training policies for young people and adults seeking employment or a new direction in their career, and to implement the regional vocational training development plan, aimed at defining a medium-term schedule for vocational training actions. This law also gave the regions the authority to license and finance training schools for paramedical professions and training organisations for social workers, as well as aid to students.

The mandate is granted under the Law of 5 March 2014 on vocational training, employment and social democracy, which requires the State and Regions to build lifelong public guidance services for these sectors.

The Nouvelle-Aquitaine Region shares with the State the ambition to build a skills-based society and supports the Transformation ambition of the Skills Investment Plan.

The Nouvelle-Aquitaine Region has therefore pledged to work with the State under the 2019–2022 Regional Skills Investment Agreement, with a budget of €502.45 million. Over the same period, the Region will invest nearly €650 million in training for job seekers.

The Regional Skills Investment Agreement aims to "*support and accelerate the transformation of training courses, educational content and skills acquisition practices, to help businesses and young or adult job seekers with little or no qualifications, in order to build a skills-based society together*".

The Region intends to use the Pact as the opportunity to expand its vocational training policy, in connection with the ramp-up of its new Public vocational training service and in addition to its own efforts. It also plans to raise training capacity to 60,000 courses in 2020.

As with vocational training, the regions received an apprenticeship mandate in 1983 and their role in this area (financing of apprentice training centres, granting of bonuses to employers of apprentices, regional apprenticeship policy, investment etc.) grew until 2018. Since the adoption of Law No. 2018-771 of 5 September 2018 *on the freedom to choose one's professional future* the Region now has only residual authority with respect to apprenticeships, which has been recentralised in the State through the creation of a single body (France Compétences).



### ***Culture, Sport***

The Region shares responsibility in cultural matters with the State and other local authorities. The regional cultural policy is structured around the cultural economy, employment, sustainable cultural planning of the

territory, support for cultural diversity, access to culture for everyone, and the training and professionalisation of cultural stakeholders.

The appeal and influence of the region are also based on support for elite sports, both by coaching young people involved in a dynamic process of access to elite sports, particularly in the two Nouvelle-Aquitaine Sports facilities, expertise and performance centres (*Centre de Ressources, d'Expertise et de Performance Sportive* — CREPS) in Talence and Poitiers, and by assisting champions and flagship clubs that play an essential role in revitalising their discipline and in promoting the region's image.



Photo credit Pau Canoe / CIARAN HEUTEAU

Measures targeted towards young people have been strengthened and extended throughout the country. The main measures include financial assistance for acquiring a driving licence, purchasing school manuals, initiatives to prevent school drop-outs.

## 2.2 The Issuer's solvency

### 2.2.1 The legal framework for local authority borrowing limits the risk of insolvency

Article 2 of Law no. 82-213 of 2 March 1982 *relating to the rights and freedoms of Municipalities, Departments and Regions*, abolished any role of supervision by the State over the acts of local authorities. This change gave local authorities full and complete freedom of discretion in matters of finance and liberalised and standardised the rules applicable to raising finance. Now, local authorities can therefore freely resort to borrowing, and their relations with lenders are governed by private law and contractual freedom.

However, this freedom is governed by the following principles:

- borrowings must be used exclusively to finance investment;
- repayment of the principal must be covered by the local authority's own resources.

Furthermore, budgetary and financial control is exercised retrospectively by the Prefect under the control of the regional accounts office (*Chambre régionale des comptes* — CRC). The control is exercised in five cases: budget votes outside the stipulated time; failure to record a mandatory expenditure (as required by Article L. 1612-15 of the GLAC, on the understanding that pursuant to Article L. 4321-1 of the GLAC "*interest on the debt and debt capital repayment expenditure*" are considered mandatory expenditures); lack of balance in a budget; deficit administrative account; failure to transmit the administrative account.

Moreover, Article L.1611-3-1 of the General Local Authorities Code (the GLAC), created by Law No. 2013-672 of 26 July 2013, makes the subscription of loans by the Region from lending institutions contingent on certain limits related to currency, interest rate, and related authorised hedging instruments. However, this article is not intended to be applied to bond issues, as specified by the parliamentary proceedings (Report no. 1091 on behalf of the Finance Committee of the National Assembly, filed on 29 May 2013, amendment No. 160 of 19 March 2013).

### 2.2.2 The Region's credit rating

The Nouvelle-Aquitaine Region has been rated Aa3/Stable by Moody's since 18 September 2019.

French regions have consistently ranked among the most financially robust entities since 2019. The Agency considers that "*The credit profile of the Nouvelle-Aquitaine Region takes account of its good financial performance, its good governance and management practices as well as the potential growth of its economy*".

## 2.3 Description of the political system

This information is detailed in point 2.1.6 "Legal form, organisation and powers".

## 3. PUBLIC FINANCES

### 3.1 Fiscal and budgetary system

#### 3.1.1 Regional income

The Nouvelle-Aquitaine Region obtains its revenue from:

#### Direct and indirect tax revenue

##### Direct tax includes:

- a) **A fraction of the net proceeds of value added tax (VAT)** has been allocated since 1 January 2018 to the regions as a substitute for their overall operating allocation (*Dotation Globale de Fonctionnement* - DGF), in accordance with Article 149 of the initial finance law (*Loi de Finances Initiale* — LFI) for 2017. The amount is guaranteed and cannot be less than the DGF amount received in 2017. Since 1 January 2021, the regions have collected an additional fraction of VAT, to replace the Company value-added contribution (*Cotisation sur la Valeur Ajoutée des Entreprises* — CVAE), pursuant to Article 8 of the LFI for 2021.
- b) **The flat-rate tax on network companies (IFER)** (*imposition forfaitaire sur les entreprises de réseaux* — IFER), put in place after the business tax (*taxe professionnelle*) was scrapped, applies to large network companies operating in the energy, rail transport and telecommunications sectors.
- c) **The National individual resource guarantee fund (Fonds National de Garantie Individuelle des Ressources** — FNGIR) is one of the mechanisms, with the DCRTP, intended to guarantee the level of resources of local governments following the business tax reform. Its amount is frozen.
- d) **The equalisation fund** created in 2013 seeks to reduce the differences in changes to the basket of resources (CVAE, IFER, FNGIR and DCRTP) by levying a withholding tax on metropolitan regions with a resource basket that grows faster than the average. Beneficiaries of this fund are regions whose resource basket grows slower than the average. For 2021, temporarily, following the scrapping of the CVAE, this fund was integrated into the fraction of additional VAT received by the regions to replace the CVAE.
- e) Law no. 2015-991 of 7 August 2015 on the NOTRe stipulated that the mandate given to departments in the field of road passenger transport, whether for regular lines or school transport (excluding transport for pupils with disabilities), would be transferred to the Regions on 1 January and 1 September 2017 respectively. The same law stipulates that this transfer of authority must be accompanied by a transfer of revenue to cover the transferred net costs. The amount of this compensation allocation paid by the departments to the Region is now fixed.

##### Other taxes and duties include:

- a) **Domestic consumption tax on energy products (TICPE)**, made up of two parts. In order to finance the various transfers of authority that have occurred since Law No. 2004-809 of 13 August 2004 relating to local freedoms and responsibilities, French regions have been allocated a fraction of the TICPE tariff. In addition to this historical revenue, which has a guaranteed amount, there is revenue corresponding to the application of a fraction of the tariff of €1.77/litre of premium unleaded petrol and €1.15/litre of diesel, corresponding to the former modulation system, cancelled in the 2016

Amending Finance Act, in order to constitute the 1<sup>st</sup> part of the TICPE. Furthermore, Article 94 of the LFI for 2010 authorised the French regions to vote an additional fraction to finance sustainable transport infrastructures specified in the nationwide environmental consultation known as "*Grenelle de l'environnement*". This second part of the TICPE, known as the "Grenelle", gives the French regions an option to increase the TICPE rates, up to €0.73 per litre of premium unleaded fuel and €1.35 per litre of diesel.

- b) **The tax on vehicle registration certificates** (car registration tax), whose unit rate has been set since 1 July 2016 at €41 per unit of horsepower throughout the region.
- c) Since 2014, **vocational training has been funded** by tax resources, two-thirds of which come from the repayment of management fees of direct local taxation collected by the State (including housing tax) and 1/3 by an additional fraction of TICPE. In connection with the gradual scrapping of the housing tax, the LFI for 2020 (Article 16 sub-paragraph V) stipulated a fixed amount for the latter component in the form of an allowance as from 2021.

### State endowments (investment and operating allowances)

- a) The **General Decentralisation Fund** (*Dotation Générale de Décentralisation* — DGD) handles financial compensation for transfers of authority that are not accompanied by a transfer of taxation. The DGD comprises two portions: the so-called "residual" portion, corresponding to 5% of the former "secondary school" DGDs and "railway" DGD; and the portion relating to compensation for the transfer of the Bayonne fishing and commercial port.
- b) **The Business Tax Reform Compensation Allocation** (*Dotation de Compensation de la Réforme de la Taxe Professionnelle* — CRTP), which originally sought to ensure that the resources of the "losing" local authorities were maintained following the business tax reform, is now included in the adjustment variables base subject to reduction each year, since the 2017 Finance Act.
- c) A historic aggregate of various tax exemption compensations, the **allocation for transfers of compensation for local direct tax exemptions** (*Dotation pour Transferts de Compensations d'Exonérations de fiscalité directe locale* — DTCE) is also used as an adjustment variable for the standard envelope of State aid to local authorities.
- d) The Regional Allocation for School Equipment (*Dotation Régionale d'Équipement Scolaire* — DRES), the amount of which has been frozen since 2008 (Article 4332-3 of the CGCT) is allocated to finance upgrades and equipment purchases in secondary schools.
- e) The implementation of Law no. 2018-771 of 5 September 2018 for the freedom to choose one's professional future resulted in the recentralisation of the apprenticeship authority from the regions to the State and professional segments. Since 1 January 2020, French regions have been involved in the context of two specific allocations allotted to them to participate in the financing of CFAs: one to support the operation (**support fund**) justified by regional planning and economic development needs, the second to assist CFAs in their investment projects (**investment fund**). Furthermore, in order to correct any differences that may exist between the resources received for apprenticeship and the expenditures incurred by regions with respect to apprenticeships, the finance law for 2020 provides for fixed compensation, both in the form of an **allowance** (levy on State revenue) and **TICPE**. This compensation was increased for the last time in 2021 in order to cover the residual expenditures linked to the apprenticeship premiums paid by the Region to apprentice employers.
- f) In the context of the partnership agreement signed with the regions on 28 September 2020, the State has undertaken to allocate the latter an envelop assigned to stimulus investment. The Draft Finance Law (*Projet de Loi de Finances* — PLF) for 2021 stipulates the commitment authorisation of €600 million for the Regions, accompanied by payment appropriations amounting to €323.8 million for 2021. The Nouvelle-Aquitaine Region expects to benefit from this **Investment Regional Allowance**

in the amount of €54 million (the envelop is distributed according to a demographic criterion), broken down over the upcoming three financial years.

### Repayments from loans granted to some companies or advance payments to local authorities

These reimbursements come from the repayments of loans granted by the Region to companies (repayable advances). Following the extraordinary measures taken during the health crisis in 2020, the suspension of loan repayments by companies has been extended for one year starting from 12 March 2021.

### Various revenues:

- These revenues mainly correspond to investments allocated by the State, local authorities, different public or private bodies, or paid by individuals and families, in accordance with the policies established by the regional authority.
- with respect to vocational training: it concerns in particular investments under the "Regional Skills Investment Agreement";
- with respect to education: it concerns the participation of families in the costs of Internet and catering costs;
- with respect to transport: it concerns operating revenues relating to the transfer of school and interurban transports.

The VAT compensation fund (*Fonds de Compensation pour la TVA* — **FCTVA**), which is intended to provide compensation, at a flat rate, for the VAT burden borne by the local authority for its actual investment expenditure and on certain operating expenditures and which it cannot directly recover through taxation.

In addition, the Region is the managing authority for **European funds** for the 2014–2020 programming period, and ERDF and ESF revenue is allocated for this purpose. These funds are repaid in the form of subsidies to third-party beneficiaries, i.e. directly to the Region in the context of European joint financing of projects or actions for which it is the responsible and which it implements.

### **3.1.2 The accounting and budget framework**

The primary budget (**PB**) is the document which lays out the upcoming revenues and expenditures of the public authorities.

Regarding local authorities, the PB has to be adopted before 15 April in the financial year to which it applies, or before 30 April of the year in which the decision-making bodies are reappointed.

If the budget is not adopted, the law (article L.1612-2 of the GLAC) provides for a specific procedure allowing the regional Prefect, representing the State in the region, to set the local authority's budget, following notice from the CRC.

The adoption of the budget authorises the authority's executive body to receive income and incur costs.

The budgets of the local authorities must comply in particular with the following five budget principles:

- the **unity principle**: this principle requires all revenues and expenses to be grouped together in a single document;
- the **yearly principle**: the authorisation given to the Executive of the local authority to collect revenues and incur costs is given for one year, from 1 January to 31 December;
- the **universality principle**: the budget for the year must contain all revenues and expenditures, without offsets;
- the **principle of equilibrium**: this implies that the budget is based on a fair assessment of revenues

and expenditures and that total operating and investment revenues equal total operating (everyday operations) on one hand and investment expenditure on the other hand. Furthermore, revenue excluding borrowing must be enough to cover the capital repayment:

- the **principle of expenditure specification**: this principle consists in authorising an expenditure for only one specific service or purpose. Accordingly, credits are allocated to a service or set of services and are specialised by "chapter", grouping expenditures together by nature or purpose. However, this principle is mitigated by the authorisation that may be given by the Assembly to the President of the Regional Council to make transfers of payment appropriations from one chapter to another within the limit of 7.5 percent of the actual expenditure of each of the sections.

Amended or supplemental budgets allow for adjustments to be made to income and expenses adopted in the PB.

The administrative accounts, reviewed before 30 June of the following financial year, retrace the transactions of the financial year in terms of income and expenses.

These accounts, drawn up by the local authority (the "*authorising body*") must be in line with the management accounts prepared by the public auditor which ensure that expenses are paid and all revenue of the local authority is received.

This practice, common to all local authorities, which is a result of the principle of the separation of authorising bodies and accountants in the general laws on public accounting rules in France, gives the public auditor the ability to manage public funds and organise an external audit of the invoices issued by the local authority every year.

The role thus given to the public accountant represents a guarantee for the financial security of the local authority. As such, there are three types of control pursuant to law No. 82-213 of 2 March 1982: the administrative or legality control, budget and financial control and judicial and management control.

The Prefect retrospectively exercises administrative or legality control over actions taken by local authorities. The Prefect may bring these actions, which become enforceable, to the administrative court within two months of the day on which the Prefect is notified of such actions.

Budgetary and financial control is also exercised retrospectively by the Prefect under the control of the CRC. The control is exercised in five cases: budget vote outside time limits; failure of registration of a mandatory expenditure; lack of balance in a budget; deficit administrative account; failure to transmit the administrative account.

The CRCs are in charge of the judicial review of the accounts: they check that the accounts presented by public accountants are true and fair; their control also extends to authorising officers in case of de facto management. Management control concerns the proper use of public funds by local authorities: it is expressed retrospectively by the observations forwarded by the CRCs on the management of local authorities.

## **3.2 Public debt**

The policy implemented by the Nouvelle-Aquitaine Region in this domain is driven by the desire to control the amount of the borrowing raised, limit the cost of new borrowings and reduce the debt burden, so as to prioritise the allocation of all available resources to the tasks assigned to the Region.

### 3.2.1 Debt position and debt management

#### (a) Financing instruments in place

- The Euro Medium Term Notes (EMTN) programme

On 12 May 2021, the Region has already carried out a first bond issue of €40 million, bearing an interest rate of 0.777% per year and maturing on 12 May 2041.

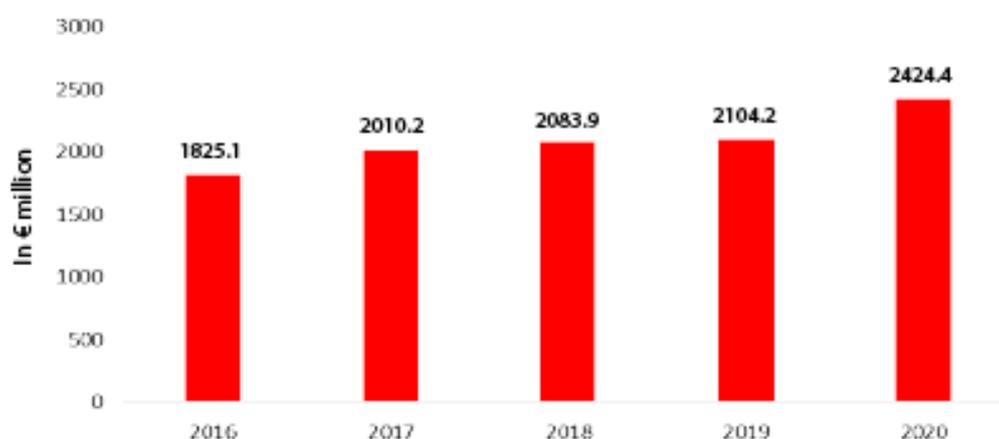
In line with this financing transaction and in the context of the diversification of its financing strategy, the Region had decided to put in place an EMTN programme presented in this Offering Circular.

#### (b) Characteristics of the debt

##### (i) Outstanding debt

The outstanding debt of the Nouvelle-Aquitaine Region amounts to €2,424.421 million at 31 December 2020. The Region's debt has increased moderately since the 2016 merger, with an increase of €93 million on average between 2016 and 2019. The COVID-19 crisis led to a more significant increase of debt in 2021 (+ €320 million). By neutralising the impacts of this health crisis, on both revenues and expenditures, only €246.8 million (instead of €456 million) of the borrowing would have been used, the outstanding debt would have amounted to €2,215.2 million (versus €2,424.4 million) and the debt reduction capacity would be 4.75 years (instead of 7.3 years).

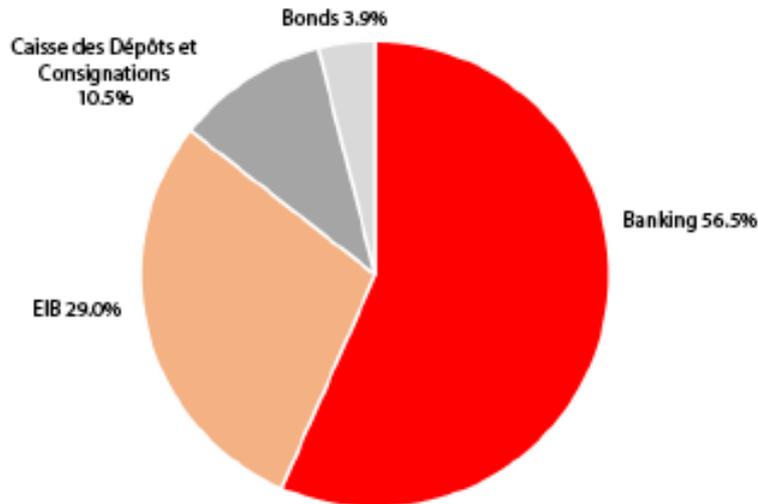
#### Change in outstanding debt at 31 December (year n)



Source: Nouvelle Aquitaine Region

Commercial banks remain the main sources of financing for the Region. They represent 56.5% of the outstanding debt. Nevertheless, the European Investment Bank (EIB), which holds 29% of the Region's outstanding debt, is also a special partner for the Region. The aforesaid first standalone issue of €40 million and the creation of the EMTN programme should lead to a gradual increase of bond debt over the next few years.

### **Breakdown of debt by lender as at 31 December 2020**



*Source: Nouvelle Aquitaine Region*

#### **(ii) The average interest rate of the debt and exposure to interest rate risk**

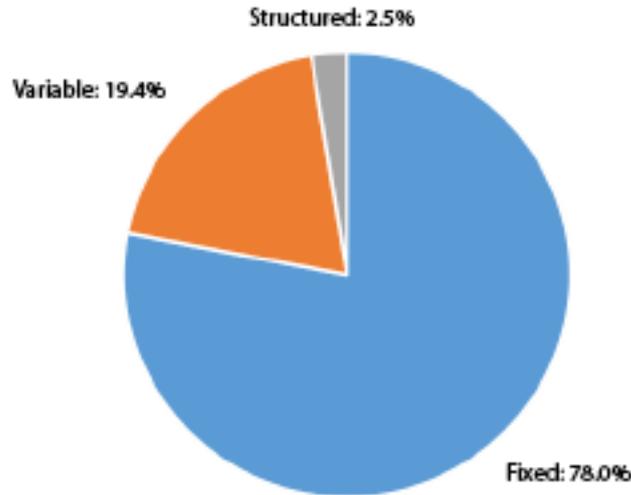
The Region has implemented over several years a cautious debt management strategy by following two main goals:

- contain the interest rate risk on regional debt;
- seize market opportunities that make it possible to reduce interest expense.

In this context, the Region has been able to secure the cost of debt at a low level over the long term by favouring the use of fixed rates in its consultations in order to benefit fully from the current very favourable pricing supplements. Thus, the proportion of fixed-rate financing reached 78% of the outstanding debt at the end of 2020 compared to 77% at 1 January 2020. The low proportion of variable rate debt in the outstanding debt contributes to the reduction of the average interest rate, which stood at 1.51% at 31 December 2020 compared to 1.87% at 31 December 2019.

In addition, the Region has secured two structured-rate loans in 2021. As part of its active debt management, the Region has progressively desensitised its structured-rate loans, making it possible to have 89% of its outstanding loans classified as 1-A (the least risky) compared with 86% in 2016.

**Breakdown of outstanding debt by rate type at 31 December 2020**



Source: Nouvelle-Aquitaine Region

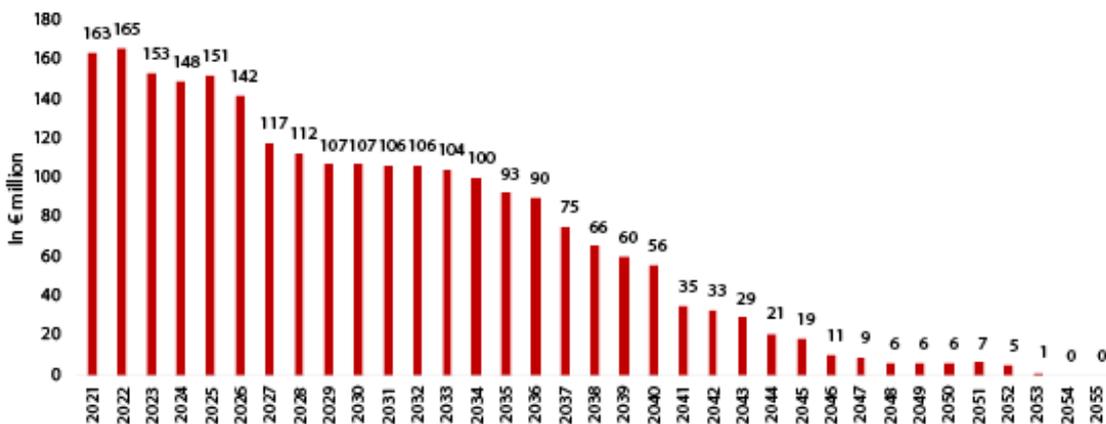
**(iii) Changes to debt amortisation**

The debt amortisation profile is marked by:

- a peak in 2022, on the one hand, related to the bullet repayment of two bonds,
- a peak in 2025, on the other hand, which corresponds to the bullet repayment of European pre-financing for operational programmes.

As a result of the positive development of investment expenditure and the drop in resources observed in 2020, the Region's outstanding debt increased significantly over the last financial year. Nevertheless, the Region was able to benefit from the very attractive conditions offered on the markets.

**Changes to debt amortisation (as at 31 December 2020)**



Source: Nouvelle Aquitaine Region

### 3.2.2 Cash flow

#### (a) The use of overdraft facilities as a cash management instrument

Cash management is at the heart of the Region's financial strategy as it ensures both the proper execution of the budget and the link with the long-term financing strategy. The Region uses lines of credit to meet its cash financing needs.

2020 was an unusual year for the Nouvelle-Aquitaine Region from both a budgetary and treasury management point of view.

- The average cash balance during the year totalled €132.4 million (versus €110.1 million in 2019).
- This balance masks the significant discrepancies between the first eight months of the year (€59.4 million on average) and the last four months (€277.4 million on average).
- This discrepancy can be mainly explained by the pace of mobilisation of the borrowings, which accelerated considerably at the end of the year.

#### Changes to the daily cash balance in 2020



*Source: Executive Management of Public Finances*

In 2020, the Region had four lines of credit giving it access to total cash of €250 million. The facilities were renewed in summer 2021, and, considering the amounts, the Region had to contract with several banks to reach €250 million.

The average use of the lines of credit was €55.2 million in 2020 (versus €8.1 million in 2019) but with significant cyclicity. In particular, €110 million in lines of credit were used on average between March and August to deal with more significant cash flow needs, with a peak at €200 million (versus a maximum of €130 million in 2019) in June.

#### (b) The arrangement of a NEU CP programme: an additional treasury management instrument

The Region intends to establish in 2022 a short-term negotiable debt notes programme (NEU CP) to supplement the treasury management instruments available. The choice to establish this type of programme addresses a dual target:

- Reducing treasury management cost while benefiting from very favourable conditions on the NEU CP market.
- Diversifying short-term financing instruments

### 3.2.3 Assets and liabilities at 31 December 2020

**NET ASSETS (\*) (€ million)**

Intangible assets	3,534.486
Tangible assets	5,135.173
Non-current financial assets	303.975
<b>TOTAL FIXED ASSETS</b>	<b>8,973.634</b>

Receivables	207.771
Operations for third parties	221.037
Cash and cash equivalent	251.252
Other current assets	0.000
<b>TOTAL CURRENT ASSETS</b>	<b>680.060</b>

**ACCRUALS** 4.282

**TOTAL NET ASSETS** 9,657,975

(\*) net of depreciation

**LIABILITIES (€ million)**

Allowances, global investment funds, subsidies	1,771.919
Reserves	8,013.603
Neutralisation of amortisation and differences on the realisation of fixed assets	-3,378.829
Retained earnings	135.220
Profit/loss for the financial year	264.220
Rights of the allocating, remitting, assigning and licensing parties	88.081
<b>TOTAL EQUITY</b>	<b>6,894.215</b>

**PROVISION FOR CONTINGENCIES AND LOSSES** 1.245

Long-term financial debts	2433.473
Operations for third parties	41.182
Other debts, trade payables	198.668
<b>TOTAL LIABILITIES</b>	<b>2,673.322</b>

**ACCRUALS** 89.193

**TOTAL LIABILITIES** 9,657,975

The balance sheet totalled €9.658 billion at the end of 2020.

**Analysis of the assets**

At €8,973.634 million, non-current assets are predominant in the composition of the Region's assets.

Fixed assets include:

- Intangible assets (€3,534.486 million), which are essentially composed of paid equipment subsidies (€3,514.162 million);
- Non-current assets (€5,135.173 million) made up of real estate assets (land and buildings), equipment, furniture, technical equipment and cars;
- Non-current financial assets which total €303,975 million and include in particular equity interests and the long-term investment securities held by the Region as well advances to the local authority.

Current assets (€680.060 million) mainly comprise short-term receivables (€207.771 million), cash on hand in the treasury account (€251.252 million) as well as transactions on behalf of third parties (€221.037 million). Accruals (€4.282 million) mainly concern debt renegotiation indemnities.

## **Analysis of the liabilities**

At €6,894.215 million, equity, which represents the resources not borrowed by the local authority, accounts for the bulk of the Region's liability.

Equity mainly comprises:

- Reserves, namely the accumulation of the annual earnings assigned to investment (€8,013.603 million);
- Subsidies and other specific investment revenue (FCTVA, European funds, DRES, combined funds received) for a total amount of €1,771.919 million);
- Neutralisation of amortisations and differences on realisations of fixed assets which are deducted (-€3,378.829 million).

Debts amount to €2,673.322 million. They include long-term financial debts, transactions for third parties and short-term debts.

### **3.2.4 Repayable loans and advances**

The repayable advance, mostly at zero or a preferred rate is one of the financial instruments implemented by the Region to assist and expand certain public policies. Historically, the main beneficiary projects concern innovation, the creation and recovery of companies, modernisation of the working tools and strategic investments in economic development, agriculture, professional training or cultural sectors.

At 31 December 2020, the total outstanding for advances granted by the Region was €88.96 million. The Nouvelle-Aquitaine Region has set up a secure process for the granting of aids upstream and risk coverage in the context of insolvency procedures.

The granting of aid is subject to a financial analysis by management control and is discussed at the Financial Commitments Committee in the presence of the Vice-President in charge of finance, the Deputy CEO of the finance division and the Deputy CEO of the division that submitted the application.

The Finance and Budget Department then monitors the financial health of the beneficiaries via the dedicated websites in collaboration with the Region's pay services. A provision for risk of the remaining amount to be collected is recorded each time insolvency procedures are opened.

### **3.2.5 Loan guarantees**

On 1 January 2021, the outstanding debt guaranteed by the Region was €93.8 million, slightly up on 1 January 2020 by €0.2 million. 95% of the debt guaranteed by the Region comprises outstanding debt excluding social housing.

- For guarantees relating to social housing: the guarantees granted mainly go to CDC Habitat, OPHLM Agen Habitat, and the Poitiers regional centre for student housing.
- Excluding social housing, the Region mainly guarantees:
  - For the private sector up to 92% of the total outstanding amount:
    - SAEML du Bois de la Mothe Chandenier for 19.32%,
    - Ogec Poitiers Nord for 15.8%,

- SEML Route des Lasers and Maison de Santé Bagatelle for 6.9% and 6.7%, respectively.
- For the public sector up to 3% of the total outstanding amount:
  - Syndicat Mixte Lac de Vassivière (1.5%),
  - Commune of Eaux Bonnes 1.4%.

	Name of the beneficiary	Outstanding amounts as at 1 January 2021	Share of outstanding amount as at 1 January 2021
Private sector (excluding social housing)	SAEML DU BOIS DE LA MOTHE CHANDENIER	18,123,900.00	19.32%
	OGEC POITIERS NORD Lyc Isaac de l'Etoile	14,823,114.38	15.80%
	SEML ROUTE DES LASERS	6,482,424.93	6.91%
	MAISON DE SANTE BAGATELLE	6,307,900.00	6.72%
	SERGIES SAS	6,228,461.29	6.64%
	ADEF RESIDENCES ASS	3,931,456.30	4.19%
	OGEC DE LA ROCHELLE LYCEE FENELON	3,087,340.45	3.29%
	AGRISOLEIL 86 SAS	2,862,425.30	3.05%
	OGEC SAINT JOSEPH L'AMANDIER LTP	2,421,671.11	2.58%
	LE PETIT CHATAIGNIER SAS	1,875,339.67	2.00%
	CENTRALE PHOTOVOLTAIQUE MONTENDRE SAS	1,727,370.00	1.84%
	SCH III SOCIETE	1,242,783.79	1.32%
<b>Total private sector (excluding social housing)</b>		<b>86,279,115.05</b>	<b>91.96%</b>
Public sector (excluding social housing)	SYNDICAT MIXTE LE LAC DE VASSIVIERE	1,448,602.08	1.54%
	COMMUNE OF EAUX BONNES	1,341,406.66	1.43%
	COMMUNE OF TILLOU	70,183.66	0.07%
<b>Total public sector (excluding social housing)</b>		<b>2,860,192.40</b>	<b>3.05%</b>
Social housing	CDC HABITAT	1,995,219.83	2.13%
	OPHLM AGEN HABITAT	1,789,440.75	1.91%
	CROUS DE POITIERS RESIDENCE UNIVERSITAIRE ROCHE D'ARGENT	854,916.78	0.91%
<b>Total social housing</b>		<b>4,683,462.76</b>	<b>4.99%</b>
<b>General Total</b>		<b>93,822,770.21</b>	<b>100.00%</b>

With regard to loan guarantees, the Galland Act of 5 January 1988 sets out prudential rules, particularly regarding a ceiling for local authorities: the cumulative amount between the annual instalment of the local authority's own debt and the annual instalment relating to the guaranteed debt must not exceed 50% of actual operating revenue. In the Nouvelle-Aquitaine Region, this ratio stood at 8.11% at 31 December 2020.

### 3.2.6 Regional funds

#### (a) Regional guarantee funds

The Nouvelle-Aquitaine Region has set up three guarantee funds with three intermediaries for a common purpose: promoting access to credit in order to finance the creation, transmission, development and financial strengthening operations:



### (b) Regional investment funds

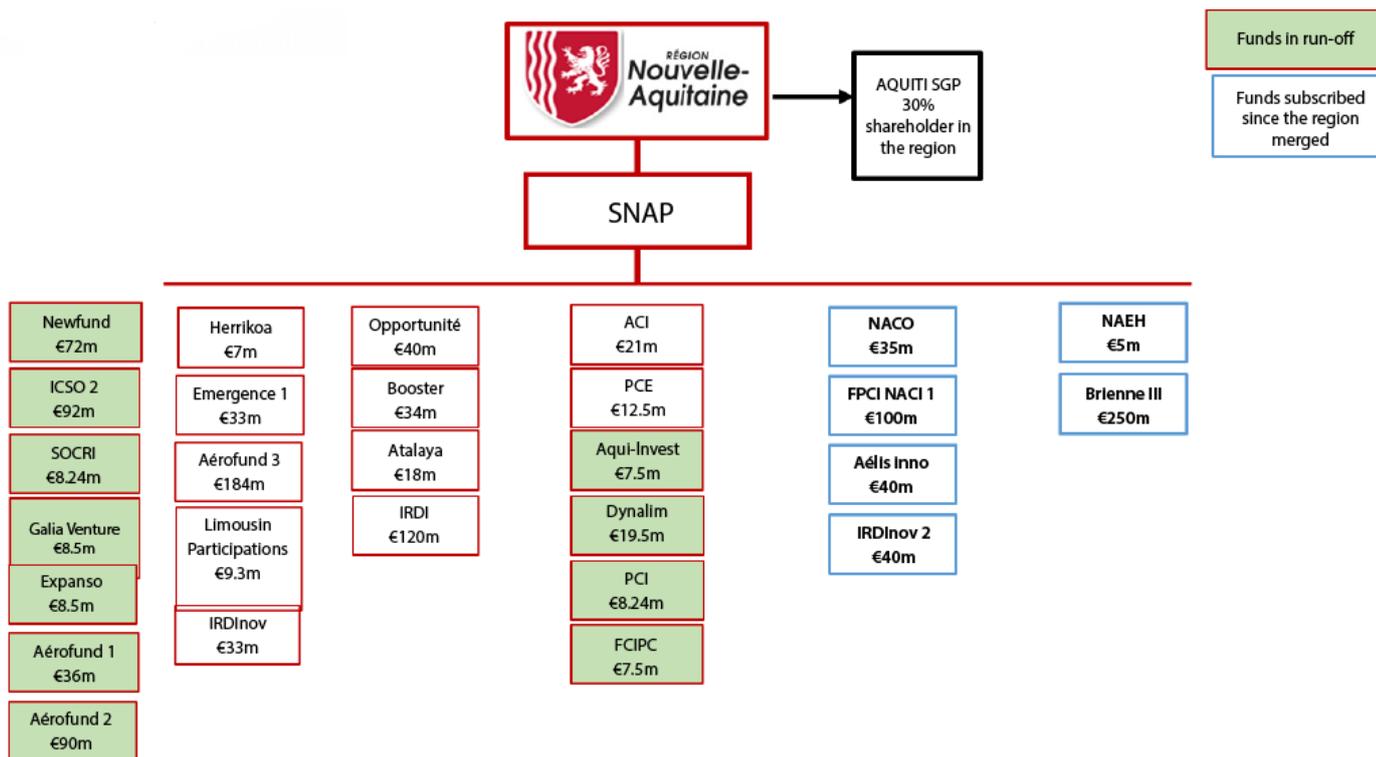
The Region has 33 investment funds, half of which are in run-off. These funds include:

- General-purpose funds (Naco, PCE, ACI etc.)
- Theme-based specialised funds (brienne 3 cybersécurité etc.)
- By market segment: seed, venture capital, growth capital (aelis, irdinov 2, NACI...)

They were created with a strategy consistent with the regional and national financing ecosystem.

To manage regional equity interests in the investment fund, the Region created a SNAP fund of funds. This mode of operation makes it possible to

- Carry out optimised management of investment and divestment financial flows
- Offer accounting and financial transparency of the Region's actions to the regional elected representatives but also to businesses, private and public investors
- Offer a secure context for co-financing new projects with leverage on external resources: EIB, Feder, CDC, PIA etc.



### (c) Emergency and stimulus funds

Following the health crisis and the economic difficulties that it created, the Region established funds intended to support struggling businesses.

The "resistance" loan funds, which allow very small businesses and small and medium-sized businesses to obtain financing in order to deal with a temporary difficulty. This €100 million fund, €20 million of which comes from the Region, benefits from an unprecedented partnership with several banks such as Banque Populaire, Caisse d'épargne, Crédit Mutuel, Crédit Agricole and CIC.

### (d) The regional and solidarity savings fund (*Fonds d'épargne régional et Solidaire* — FERS)

This fund is part of the regional stimulus action plan voted on 3 July 2020. It seeks to:

- Tap into the savings of Nouvelle-Aquitaine residents
- Create short investment channels
- Strengthen the ties between savers/territories/regional undertakings
- Provide SMEs with the equity financing that they need

Individuals invest in the FERS through an interest-bearing investment product and FERS invests in investments funds that exist or are to be created.

### 3.2.7 Leases

The former Poitou-Charentes Region contracted two lease agreements to finance the purchase of trains:

A first contract signed in 2007 enabled the acquisition of 23 TER trains, the outstanding amount of the contract at 31 December 2020 amounted to €155.97 million for a residual term of 30 years.

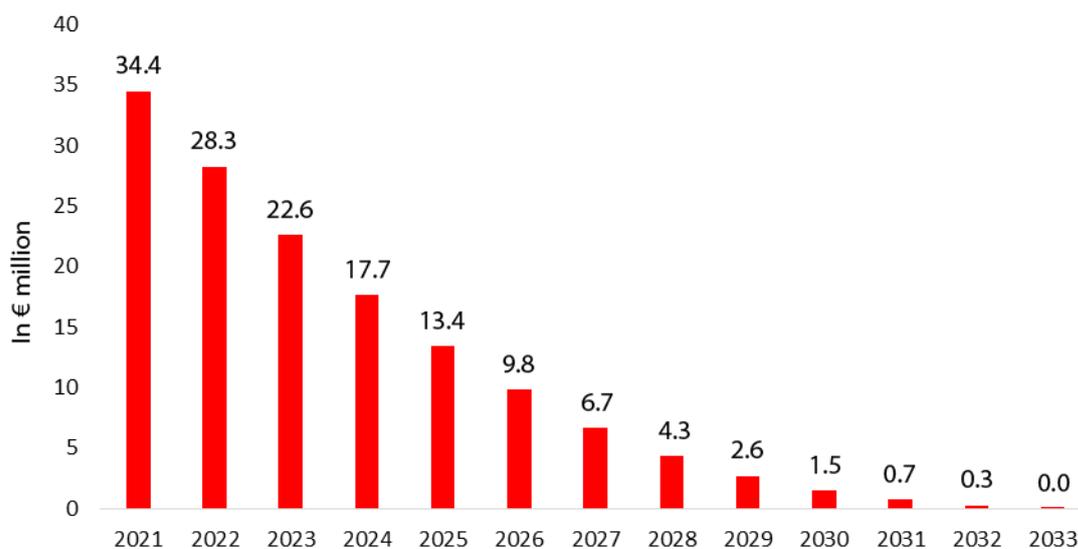
The second contract signed in 2011 for the acquisition of 10 TER trains, for a residual term of 34 years, for which the outstanding amount at 31 December 2021 amounted to €109.37 million.

### 3.2.8 Subsidies in annual instalments

Until 2017, the Region helped to finance works in private secondary schools by granting subsidies to finance annual loan instalments. The loans were generally contracted over 15 years and their rate corresponded to the most favourable reference base rates for a loan taken out by local authorities.

As at 31 December 2020, the outstanding amount of subsidies voted in annual instalments amounted to €37.95 million, all the loans will be repaid in 2033. Since 2018, the Region no longer allocates subsidies to finance the annual instalments of loans.

#### **Run-off of the outstanding amounts of subsidies in annual instalments (at 31 December 2020)**



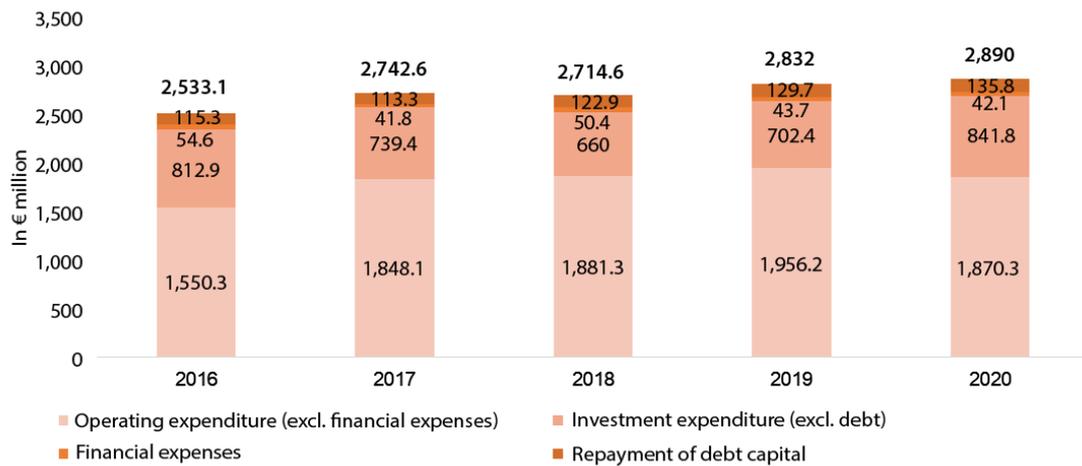
Source: Nouvelle Aquitaine Region

### 3.3 Revenues and expenditures

#### 3.3.1 Retrospective view of the financial statements

##### (a) Changes to the structure of regional expenditures

##### Changes to regional expenditures (administrative account)



Source: Nouvelle Aquitaine Region

## (b) Changes to the structure of regional revenues

Summary of the administrative accounts	2017	2018	2019	2020
<b>OPERATING REVENUE</b>	<b>€2,343,223,449.72</b>	<b>€2,397,230,505.38</b>	<b>€2,477,980,057.15</b>	<b>€2,243,338,591.31</b>
<b>Direct taxation</b>	<b>€741,854,689.64</b>	<b>€1,181,114,471.64</b>	<b>€1,227,420,226.24</b>	<b>€1,228,039,507.00</b>
Company value added contribution (CVAE)	€593,878,295.00	€613,919,371.00	€658,864,461.00	€677,261,711.00
Flat-rate tax on network companies (IFER)	€57,672,220.00	€55,573,180.00	€51,804,096.00	€54,432,823.00
National individual resource guarantee funds (FNGIR)	€75,474,531.00	€75,474,531.00	€75,474,531.00	€75,474,531.00
Equalisation fund for resources received by the French regions	€6,307,242.00	€10,490,509.00	€7,440,953.00	€12,387,650.00
CVAE compensation allocation	€8,522,401.64	€26,306,026.68	€25,789,309.01	€25,789,309.00
Other local taxes or similar levies	€0.00	€5,592.00	€606.20	€50.00
Fraction of VAT (DGF)	€0.00	€399,345,261.96	€408,046,270.03	€382,693,433.00
<b>Other taxes and duties</b>	<b>€939,946,913.51</b>	<b>€943,182,144.72</b>	<b>€952,117,406.86</b>	<b>€710,737,030.82</b>
TICPE Part 1 – LRL modulation	€389,730,719.94	€386,608,775.86	€386,413,458.86	€378,836,148.28
TICPE Part 2 – Grenelle modulation	€68,144,646.00	€65,502,844.00	€65,102,055.00	€56,378,345.54
Tax on vehicle registration certificates	€203,539,724.50	€202,693,404.74	€208,749,294.00	€186,763,050.00
Apprenticeship regional resource – Apprenticeship tax	€150,652,334.00	€160,165,715.00	€160,453,833.00	€0.00
Apprenticeship regional resource – TICPE	€14,558,511.60	€14,810,171.86	€15,267,938.34	€0.00
Apprenticeship reform – TICPE	€0.00	€0.00	€0.00	€679,761.00
Resources for vocational training and apprenticeships – Management costs	€57,214,999.35	€58,522,556.07	€59,646,145.40	€61,711,527.05
Resources for Vocational training and apprenticeships – TICPE	€26,321,007.12	€26,368,198.95	€26,368,198.95	€26,368,198.95
TICPE bonuses for apprentice employers	€29,784,971.00	€28,502,041.44	€30,113,278.31	€0.00
Additional roles	€0.00	€8,436.80	€3,205.00	€0.00
<b>State endowments</b>	<b>€554,067,942.33</b>	<b>€115,193,113.27</b>	<b>€110,806,522.90</b>	<b>€123,215,895.00</b>
Overall operating allowance (DGF) - fixed portion	€336,119,652.00	€0.00	€0.00	€0.00
Overall operating allowance (DGF) - equalisation portion	€46,573,781.00	€0.00	€0.00	€0.00
Overall operating allowance for union officials	€7,492.33	€11,412.54	€14,658.94	€0.00
VAT compensation fund (FCTVA)	€349,065.00	€409,147.73	€267,801.96	€307,701.00
General Decentralisation Fund (DGD)	€33,096,374.00	€32,978,078.00	€32,978,078.00	€32,987,078.00
Economic development support fund	€50,863,901.00	€0.00	€0.00	€0.00
Business Tax Reform Compensation Allocation (DCRTP)	€69,418,360.00	€65,063,904.00	€62,046,968.00	€56,863,623.00
CET compensation (CVAE exemption compensated)	€123,535.00	€122,139.00	€403,526.00	€503,360.00
Allowance for transfers of exemptions compensation (DTCE)	€13,922,137.00	€13,034,707.00	€11,521,765.00	€9,421,303.00
General Decentralisation Fund (DGD) – Port of Bayonne	€3,593,645.00	€3,573,725.00	€3,573,725.00	€3,573,725.00
Apprenticeship operating allowance	€0.00	€0.00	€0.00	€14,086,300.00
Apprenticeship reform – Levy on State revenue	€0.00	€0.00	€0.00	€5,481,805.00
<b>Miscellaneous contributions and income</b>	<b>€107,353,904.24</b>	<b>€157,740,775.75</b>	<b>€187,635,901.15</b>	<b>€181,346,158.49</b>
General services contributions and revenue	€5,695,501.77	€5,615,242.00	€9,000,843.36	€3,164,072.15
Contributions and revenue from vocational training and apprenticeships	€42,070,383.18	€58,492,135.46	€85,850,886.84	€77,369,369.43
Including 500,000 training courses plan	€23,540,320.25	€19,603,106.00	€18,596,645.20	€0.00
Including PIC	€0.00	€15,456,150.00	€5,676,350.00	€0.00
Including PACTE	€0.00	€0.00	€46,250,000.00	€56,000,000.00
Contributions and revenue education/high schools	€24,871,725.75	€25,189,175.30	€24,088,016.43	€19,128,101.31
Including FARPI	€21,954,779.15	€22,500,000.00	€22,000,000.00	€16,907,000.00
Contributions and revenue culture, sport and youth	€2,206,473.13	€2,391,256.88	€2,425,699.14	€1,773,367.88
Health and social action contributions and revenue	€39,297.56	€9,997.79	€1,009.22	€0.00
Contributions and revenue regional development	€45,824.10	€1,220,422.76	€20,790.01	€2,863.37
European Funds Managing Authority (Function 6)	€4,416,673.98	€13,045,833.16	€19,826,101.07	€25,424,054.30
Contributions and revenue environment & energy	€7,471,112.34	€314,466.97	€464,097.72	€316,389.51
Contributions and revenue transport	€17,843,654.42	€44,401,146.81	€39,634,910.04	€48,248,115.71
Of which school, interurban, mixed transport	€8,401,141.29	€26,986,901.11	€23,216,642.55	€34,105,390.74
Contributions and revenue economic actions	€1,242,420.33	€1,008,514.29	€1,204,973.23	€4,511,637.75
Financial transactions	€935,850.85	€1,848,961.98	€630,575.40	€616,948.85
Operating costs of groups of elected officials	€4,986.83	€4,035.20	€4,898.00	€0.00
Reversals of provisions	€510,000.00	€4,199,587.15	€4,483,100.69	€791,238.23
<b>INVESTMENT REVENUE</b>	<b>€146,390,835.48</b>	<b>€177,247,497.65</b>	<b>€190,502,539.88</b>	<b>€202,536,608.02</b>
Apprenticeship investment fund	€0.00	€0.00	€0.00	€31,758,300.00
Regional Allocation of School Equipment (DRES)	€47,086,354.00	€47,086,354.00	€47,086,354.00	€47,086,354.00
VAT compensation fund (FCTVA)	€40,515,370.00	€41,474,597.27	€41,447,045.04	€35,522,810.00
Repayable advances	€12,831,595.06	€17,847,133.98	€14,658,987.91	€6,094,910.38
European Funds Managing Authority (Function 6)	€25,318,455.79	€43,860,822.00	€53,839,406.41	€58,930,064.44
Contributions and revenue education/high schools (ex-DRES)	€5,972,429.51	€11,045,394.10	€3,990,086.30	€2,538,530.06
Contributions and revenue culture, sport and youth	€0.00	€3,303,667.00	€1,805,080.82	€1,304,443.54
Contributions and revenue transport	€6,509,379.55	€6,062,074.66	€5,908,589.18	€410,825.33
Contributions and revenue economic action (excluding repayable advances)	€2,023,710.91	€1,508,990.60	€1,603,864.82	€14,042,771.81
Contributions and revenue other areas of involvement	€6,133,540.66	€5,058,464.04	€20,163,225.40	€4,847,598.46
<b>TOTAL REVENUE (Ex-borrowing)</b>	<b>€2,489,614,285.20</b>	<b>€2,574,478,003.03</b>	<b>€2,668,482,597.03</b>	<b>€2,445,875,199.33</b>
	€	€	€	€
<b>Loans raised</b>	<b>€276,391,000.00</b>	<b>€201,000,000.00</b>	<b>€150,000,000.00</b>	<b>€456,000,000.00</b>
Active debt management	€21,604,640.51	€10,000,000.00	€0.00	€0.00
Capitalised operating surplus	€366,329,902.10	€394,006,251.49	€355,730,701.88	€436,458,278.31
FEADER	€0.00	€284,612,458.43	€173,160,652.95	€206,348,040.60
FEAMP	€0.00	€0.00	€763,345.95	€791,751.01

### 3.3.2 Recent administrative accounts

In 2020, the implementation of emergency and stimulus plans aimed at mitigating and containing the economic consequences of the health crisis led to an increase in regional expenditures, while at the same time tax revenue fell sharply, which led directly to the deterioration of financial ratios.

#### A significant drop in savings

In the 2020 financial year, operating revenue dropped 9.5% to €2,243.3 million. Operating expenditure also decreased, but to a lesser extent (-4.4%), consequently, there was a sharp drop (-30.8%) in gross savings.

<i>in € millions</i>	2019	2020	difference	%
Operating revenue	2,478.0	2,243.3	-234.6	-9.5%
Operating expenditure	1,999.9	1,912.4	-87.4	-4.4%
of which real estate costs	43.7	42.1	-1.6	-3.7%
<b>Gross savings</b>	<b>478.1</b>	<b>330.9</b>	<b>-147.2</b>	<b>-30.8%</b>
<b>Gross savings rate</b>	<b>19.3%</b>	<b>14.7%</b>		
Contractual repayment of debt capital	129.7	135.8	6.1	4.7%
<b>Net savings</b>	<b>348.4</b>	<b>195.1</b>	<b>-153.3</b>	<b>-44.0%</b>

Net savings, used as investment cash flow, also fell sharply (-44%).

#### A contained decrease, on a like-for-like basis

Nonetheless, a finer analysis requires restating the share of the savings decrease attributable to the recentralisation of the apprenticeship mandate, i.e., a loss of €41 million.

By neutralising expenditures and operating revenue related to the apprenticeship mandate, the deterioration of gross savings becomes less significant (-24.6% compared to -30.8%).

<i>in € millions</i>	2019	2020	difference	%
Operating revenue	2,272.1	2,223.1	-49.1	-2.2%
Operating expenditure	1,840.1	1,897.3	57.1	3.1%
of which real estate costs	43.7	42.1	-1.6	-3.7%
<b>Gross savings</b>	<b>432.0</b>	<b>325.8</b>	<b>-106.2</b>	<b>-24.6%</b>
<b>Gross savings rate</b>	<b>19.0%</b>	<b>14.7%</b>		
Contractual repayment of debt capital	129.7	135.8	6.1	4.7%
<b>Net savings</b>	<b>302.3</b>	<b>190.1</b>	<b>-112.3</b>	<b>-37.1%</b>

Capital expenditure (excluding active debt management and debt annuities) amounted to nearly €842 million. The 19.8% increase is very significant compared to 2019, with an additional effort of more than €139 million.

These expenditures (excluding active debt management and debt annuities) represent 31%<sup>1</sup> of total expenditures. This ratio amounted to 26.4% in 2019.

<sup>1</sup> 33.83% for the entire investment section, capital repayment included

<i>in € millions</i>	2019	2020	difference	%
Investment revenue excluding active debt management (v/16449)	340.5	658.5	318.0	93.4%
of which own investment revenue	190.5	202.5	12.0	6.3%
of which new borrowing	150.0	456.0	306.0	204.0%
Capital expenditure excluding active debt management and debt annuity (v/16449,166,16873)	702.4	841.8	139.4	19.8%
<b>Portion of capital expenditure</b>	<b>26.4%</b>	<b>31.0%</b>		

At the same time as this significant rise in capital expenditure, investment revenue (ex-borrowing) grew by 6.3%. Consequently, financing need amounted to €444.2 million, up on 2019 by more than 171%. It is entirely covered by borrowing (€456 million) and has made it possible to generate additional working capital of €11.8 million.

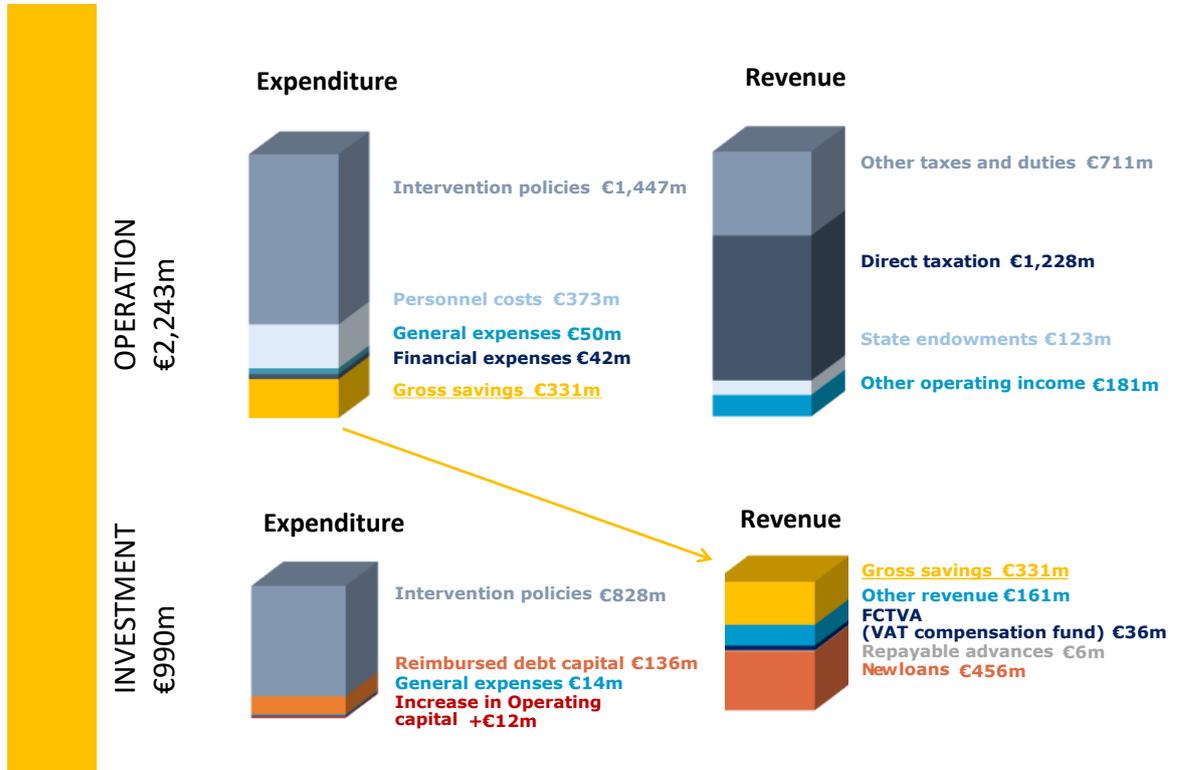
<i>in € millions</i>	2019	2020	difference	%
<b>Net savings (1)</b>	<b>348.4</b>	<b>195.1</b>	<b>-153.3</b>	<b>-44.0%</b>
Investment revenue (2)	190.5	202.5	12.0	6.3%
Capital expenditure excluding active debt management and debt annuity (v/16449,166,16873) (3)	702.4	841.8	139.4	19.8%
Refinancing and other debt (c/166,16873)	0.0	0.0	-1.6	-3.7%
<b>Financing need (4) = (1) + (2) - (3)</b>	<b>-163.5</b>	<b>-444.2</b>	<b>-280.7</b>	<b>-171.7%</b>
Loans raised (5)	150.0	456.0	306.0	204.0%
<b>Change in working capital (5) - (4)</b>	<b>-13.5</b>	<b>11.8</b>		

### Still substantial surplus

2020 closed with a surplus balance of €147 million (€11.8 million of closing income cumulated with €135.2 million of previous income).

<i>in € millions</i>	2019	2020	difference	%
Total revenue	2,818.5	2,901.9	83.4	3.0%
Total expenditures (excluding active debt management v/16449)	2,831.9	2,890.1	58.1	2.1%
Profit/loss for the financial year	-13.5	11.8	25.3	-187.8%
Previous result	148.7	135.2	-13.5	-9.1%
Not yet realised	0.0	0.0	0.0	
<b>Closing result as at 31 December</b>	<b>135.2</b>	<b>147.0</b>	<b>11.8</b>	<b>8.7%</b>

**Budget execution plan in 2020 (including European fund)**



### 3.3.3 2021 budget

#### (a) The main points of the 2021 Primary Budget

##### The general balance of the 2021 Primary Budget

	2020 PRIMARY BUDGET	2021 PRIMARY BUDGET	change in amount	change in %
Real operating revenue	2,315,422,540	2,354,755,693	39,333,153	1.70%
Real operating expenditure	2,030,564,390	2,086,707,292	56,142,902	2.76%
<b>Actual operating expenditure excluding debt</b>	1,987,131,390	<b>2,040,779,892</b>	53,648,502	<b>2.70%</b>
<b>Gross savings</b>	<b>284,858,150</b>	<b>268,048,401</b>	<b>-16,809,749</b>	<b>-5.90%</b>
Actual investment revenue (excluding borrowing)	181,529,000	242,507,000	60,978,000	33.59%
Actual capital expenditure (1)	1,045,349,460	1,099,291,562	53,942,102	5.16%
<b>Actual capital expenditure excl. debt</b>	911,249,460	<b>936,641,562</b>	25,392,102	<b>2.79%</b>
<b>Borrowing</b>	<b>578,962,310</b>	<b>588,736,161</b>	9,773,851	<b>1.69%</b>
<b>Total budget excluding debt</b>	<b>2,898,380,850</b>	<b>2,977,421,454</b>	79,040,604	<b>2.73%</b>
<b>Total budget</b>	<b>3,075,913,850</b>	<b>3,185,998,854</b>	110,085,004	<b>3.58%</b>

Source: Nouvelle Aquitaine Region

#### (b) 2021 Primary Budget expenditures

##### 2021 PB expenditures by pillar (Principal Budget):

## 2021 PRIMARY BUDGET – EXPENDITURES BY PILLAR (Principal Budget)

	2020 PRIMARY BUDGET (in € million)			2021 PRIMARY BUDGET (in € million)			CHANGE IN %		
	PROGRAMME AUTHORISATIONS (PA)	COMMITMENTS AUTHORISATIONS (CA)	PAYMENTS CREDITS (PC)	PROGRAMME AUTHORISATIONS (PA)	COMMITMENTS AUTHORISATIONS (CA)	PAYMENTS CREDITS (PC)	PROGRAMME AUTHORISATIONS (PA)	COMMITMENTS AUTHORISATIONS (CA)	PAYMENTS CREDITS (PC)
<b>Pillar 1. Economic development - Employment</b>									
1.1 - Digital economy	8.050	2.267	8.428	9.050	2.944	9.923	12.42%	29.87%	17.73%
1.2 - Sectors, trans-sectors and partnerships	20.190	14.446	23.109	33.650	18.887	35.586	66.67%	30.74%	54.00%
1.3 - Industrial performance	74.000	11.020	56.598	63.000	10.625	65.648	-14.86%	-3.58%	15.99%
1.4 - Research, innovation and start-up	51.915	32.988	69.571	57.240	37.943	69.561	10.26%	15.02%	-0.02%
1.5 - Attractiveness, internationalisation and financing	30.500	4.331	23.353	11.300	4.114	30.083	-62.95%	-5.01%	28.82%
1.6 - Tourism	23.408	12.482	27.272	23.053	12.929	27.664	-1.52%	3.58%	1.44%
1.7 - Agriculture	64.240	17.107	63.189	69.240	18.750	65.517	7.78%	9.60%	3.68%
1.8 - Cultural economy	10.882	9.208	17.323	10.937	9.208	19.180	0.51%	0.00%	10.72%
1.9 - Social and solidarity economy.	8.880	3.363	8.810	5.880	3.195	7.593	-33.78%	-5.00%	-13.81%
1.10 - Continuing vocational training	1.984	156.437	302.334	0.680	180.986	335.483	-65.72%	15.69%	10.96%
1.11 - Employment and professional development	0.100	21.412	20.376	0.100	20.555	22.523	0.00%	-4.00%	10.53%
<b>TOTAL PILLAR 1</b>	<b>294.148</b>	<b>285.061</b>	<b>620.362</b>	<b>284.130</b>	<b>320.136</b>	<b>688.760</b>	<b>-3.41%</b>	<b>12.30%</b>	<b>11.03%</b>
<b>Pillar 2. Youth</b>									
2.1 - Career guidance and coaching for economic integration	0.200	10.436	17.603	1.080	14.385	21.584	440.00%	37.84%	22.61%
2.2 - Apprenticeships	19.590	14.450	63.285	18.200	14.000	51.824	-7.10%	-3.11%	-18.11%
2.3 - Education	39.728	123.279	418.736	37.400	123.883	415.040	-5.86%	0.49%	0.88%
2.4 - Secondary schools (buildings)	268.000	2.280	174.257	206.790	1.976	173.614	-22.84%	-13.33%	0.37%
2.5 - Higher education	8.450	3.640	20.150	9.730	3.230	18.070	15.15%	-11.26%	-10.32%
2.6 - Support for young people	-	20.647	18.212	1.000	18.349	16.942	0.00%	-11.13%	6.97%
2.7 - Daily life	2.000	191.644	217.489	6.800	237.855	203.679	240.00%	24.11%	6.35%
<b>TOTAL PILLAR 2</b>	<b>337.968</b>	<b>366.375</b>	<b>929.732</b>	<b>280.999</b>	<b>413.679</b>	<b>900.754</b>	<b>-16.86%</b>	<b>12.91%</b>	<b>-3.12%</b>
<b>Pillar 3. Regional planning</b>									
3.2 - Contract policy	20.000	7.137	21.404	20.600	6.139	22.426	3.00%	-13.98%	4.77%
3.3 - Regional policy and turnaround policy	28.000	11.083	36.807	33.600	11.584	40.197	20.00%	4.52%	9.21%
3.4 - Culture	10.864	38.264	51.041	10.634	40.391	49.741	-2.12%	5.56%	2.55%
3.5 - Regional digital planning	69.500	1.870	65.070	46.945	1.870	61.651	-32.45%	0.00%	5.25%
3.6 - Land, Housing and Urban planning policy	6.400	2.931	9.201	4.200	2.711	7.559	-34.38%	-7.50%	17.84%
3.7 - Health	1.000	89.128	95.893	0.800	92.925	96.940	-20.00%	4.26%	1.09%
3.8 - Sport	15.136	8.644	28.418	12.349	8.548	32.761	-18.41%	-1.11%	15.28%
3.9 - Infrastructure, transport	86.591	92.247	259.939	58.308	98.606	270.990	-32.66%	6.89%	4.25%
3.10 - Europe and International	3.477	6.166	7.931	2.637	5.774	7.764	-24.16%	-6.35%	2.12%
3.11 - Community life and Equality	1.000	2.500	10.367	1.000	2.375	9.819	0.00%	-5.00%	5.28%
<b>TOTAL PILLAR 3</b>	<b>241.969</b>	<b>259.970</b>	<b>586.072</b>	<b>191.073</b>	<b>270.923</b>	<b>599.849</b>	<b>-21.03%</b>	<b>4.21%</b>	<b>2.35%</b>

Pillar 4. The energy and ecological transition									
4.1 - Biodiversity and Regional Nature Parks	8.716	15.175	14.733	10.350	15.900	15.691	18.75%	4.78%	6.51%
4.2 - Water - Coastlines	14.845	5.522	15.487	13.200	4.900	14.600	-11.08%	-11.26%	-5.73%
4.3 - Circular Economy and Waste	6.000	3.470	5.571	6.000	3.300	5.500	0.00%	-4.90%	-1.28%
4.4 - Energy transition and adapting to climate change	41.720	5.450	32.448	43.060	8.278	33.430	3.21%	51.88%	3.03%
4.5 - Sustainable and smart mobility	6.750	301.986	339.221	6.399	306.888	344.151	-5.20%	1.62%	1.45%
<b>TOTAL PILLAR 4</b>	<b>78.031</b>	<b>331.603</b>	<b>407.460</b>	<b>79.009</b>	<b>339.266</b>	<b>413.372</b>	<b>1.25%</b>	<b>2.31%</b>	<b>1.45%</b>
Pillar 5. European funds management.									
5.1 - PO AQUITAINE	-	-	86.539	53.808	20.252	100.471	-	-	16.10%
5.2 - PO LIMOUSIN	-	0.300	25.646	18.323	5.703	34.471	-	1,800.86%	34.41%
5.4 - PO AQUITAINE LIMOUSIN POITOU-CHARENTES	-	1.150	28.415	0.060	0.500	29.771	-	-56.52%	4.77%
<b>TOTAL PILLAR 5</b>	<b>0.000</b>	<b>1.450</b>	<b>140.600</b>	<b>72.191</b>	<b>26.454</b>	<b>164.713</b>	<b>-</b>	<b>1,724.45%</b>	<b>17.15%</b>
Pillar 6. General Administration									
6.0 - Modernisation of the Administration	14.449	11.539	14.945	1.514	8.375	15.829	-89.52%	-27.42%	5.91%
6.1 - Human Resources	0.090	1.673	139.129	0.082	2.245	137.754	-8.89%	34.18%	-0.99%
6.2 - Elected Officials and the Regional Economic, Social and Environmental Council	0.013	1.867	17.291	0.003	2.295	17.205	-76.92%	22.95%	-0.50%
6.3 - Communication and appeal	0.125	4.301	9.332	2.815	5.363	8.628	2,152.00%	24.69%	-7.55%
6.4 - Legal Affairs	-	0.695	3.115	-	14.861	3.234	0.00%	2,038.28%	3.82%
6.5 - General Resources	22.576	25.655	28.142	6.708	23.306	23.873	-70.29%	-9.16%	-15.17%
6.6 - Financial Transactions	3.000	2.700	242.073	5.000	5.000	268.334	66.67%	85.19%	10.85%
<b>TOTAL PILLAR 6</b>	<b>40.253</b>	<b>48.430</b>	<b>454.027</b>	<b>16.122</b>	<b>61.445</b>	<b>474.856</b>	<b>-59.95%</b>	<b>26.87%</b>	<b>4.59%</b>
<b>TOTAL BUDGET</b>	<b>992.368</b>	<b>1292.888</b>	<b>3138.254</b>	<b>923.524</b>	<b>1431.902</b>	<b>3242.304</b>	<b>-6.94%</b>	<b>10.75%</b>	<b>3.32%</b>

Source: Nouvelle Aquitaine Region

### (c) Revenues expected in the 2021 Primary Budget:

Overall revenue for the 2021 principal budget, excluding borrowing, is estimated at €2,597.263 million, up 4% on the previous financial year.

#### 2021 PB Revenues by type

### 2021 PRINCIPAL BUDGET - REVENUES BY TYPE

2020 PB (€ million)	2021 PB (€ million)	change (%)	change (€ million)
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#### TAXATION

Basket of resources	859.212	183.896	-78.60%	-675.316
Company value-added contribution	669.337	0.000	-100.00%	-669.337
Flat-rate tax on network operators	55.800	52.321	-6.23%	-3.479
National Individual Resource Guarantee Funds	75.475	75.475	0.00%	0.000

<i>Business Tax Reform Compensation Allocation</i>	58.600	56.100	-4.27%	-2.500
Resource Equalisation Fund	11.200	12.388	10.61%	1.188
Fraction of VAT-CVAE	0.000	677.765	<i>Not applicable</i>	677.765
Fraction of VAT- DGF	421.970	403.000	-4.50%	-18.970
Indirect taxation	659.310	655.200	-0.62%	-4.110
<i>Domestic Consumption Tax on Vehicle Registration (Cartes grises) Energy Products</i>	452.110	450.200	-0.42%	-1.910
	207.200	205.000	-1.06%	-2.200
<b>TOTAL</b>	<b>1,951.692</b>	<b>1,932.249</b>	<b>-1.00%</b>	<b>-19.443</b>

#### FINANCING VOCATIONAL TRAINING AND APPRENTICESHIPS

Operating allowance (support fund)	14.000	14.086	0.61%	0.086
Investment fund	28.000	31.758	13.42%	3.758
Financial compensation for loss of resources	1.000	6.161	516.10%	5.161
Resources for vocational training	87.500	85.800	-1.94%	-1.700
"500,000 training courses" Plan	6.000	0.000	-100.00%	-6.000
PIC-PACT	66.500	126.950	90.90%	60.450
"Youth" Plan	0.000	19.350	<i>Not applicable</i>	19.350
<b>TOTAL</b>	<b>203.000</b>	<b>284.105</b>	<b>39.95%</b>	<b>81.105</b>

#### STATE ENDOWMENTS

Residual General Decentralisation Fund	32.978	32.978	0.00%	0.000
Fishing and trade maritime ports DGD	3.573	3.573	0.00%	0.000
Allowance for transfers of local direct tax exemptions compensation	9.500	7.400	-22.11%	-2.100
Regional Allocation of School Equipment	47.086	47.086	0.00%	0.000
Investment Regional Allowance (Stimulus plan)	0.000	29.000	<i>Not applicable</i>	29.000
<b>TOTAL</b>	<b>93.137</b>	<b>120.037</b>	<b>28.88%</b>	<b>26.900</b>

#### OTHER REVENUE

VAT Compensation Fund	34.000	32.000	-5.88%	-2.000
Family contribution to boarding and catering expenditures	22.500	22.000	-2.22%	-0.500
Repayable advances	9.170	9.170	0.00%	0.000
European funds: 2014–2020 programming	93.970	99.580	5.97%	5.610
European funds EU REACT	0.000	2.299	<i>Not applicable</i>	2.299
Cooperation programmes	0.835	0.896	7.26%	0.061
Road transport: direct revenues and compensation allocation	63.130	47.946	-24.05%	-15.184
Combined funds and contributions	6.151	24.542	298.99%	18.391
Other	19.366	22.439	15.87%	3.073
<b>TOTAL</b>	<b>249.123</b>	<b>260.872</b>	<b>4.72%</b>	<b>11.749</b>

<b>TOTAL except</b>	<b>2,496.952</b>	<b>2,597.263</b>	<b>4.02%</b>	<b>100.311</b>
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Source: Nouvelle Aquitaine Region

## SUBSCRIPTION AND SALE

Subject to the terms of a placement contract in the French language dated 21 October 2021 signed by the Issuer, the Permanent Dealers and the Arranger (the **Dealer Agreement**), the Notes will be offered by the Issuer to the Permanent Dealers. However, the Issuer reserves the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at that market price or a similar prevailing market price on the date of said sale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for the issuance of syndicated Tranches that are jointly underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between themselves in respect of Notes subscribed by such Dealer. If appropriate, the commissions in respect of an issue of Notes on a syndicated basis will be specified in the relevant Pricing Supplements. The Issuer has agreed to reimburse the Arranger for the expenses incurred by it in connection with the establishment of the Programme and the Dealers for certain expenses in relation to their role under this Programme.

The Issuer has agreed to indemnify the Dealers against certain types of liability they may incur in connection with the offer and sale of Notes. The Dealers have undertaken to indemnify the Issuer against certain types of liability it may incur in connection with the offer and sale of Notes. The Dealer Agreement entitles the Dealers, under certain circumstances, to terminate any agreement they may enter into for the subscription of Notes prior to payment for such Notes being made to the Issuer.

### 1. GENERAL INFORMATION

These selling restrictions may be amended by mutual agreement between the Issuer and the Dealers in particular following any change to any applicable law, regulation or directive. Each Dealer has undertaken to comply, to the fullest extent of the information in its possession, with all relevant laws, regulations and directives in each country in which it buys, offers, sells or delivers Notes or in which it holds or distributes the Offering Circular, any other offer document or any Pricing Supplements and neither the Issuer nor any of the Dealers shall incur any liability in respect thereof.

### 2. UNITED STATES OF AMERICA

The Notes have not and will not be registered pursuant to the United States Securities Act of 1933 as amended (the **U.S. Securities Act of 1933**) nor by any regulatory authority in respect of securities of any state or other jurisdiction of the United States of America. Subject to certain exceptions, Notes may not be offered or sold in the territory of the United States of America or, in the case of Materialised Notes, offered, sold or delivered in the territory of the United States of America or to, or for the benefit or on behalf of, U.S. Persons as defined in Regulation S of the U.S. Securities Act (**Regulation S**). Each Dealer has undertaken, and each new Dealer will be required to undertake, not to offer or sell any Note or, in the case of Dematerialised Notes in bearer form, to deliver said Notes in the territory of the United States of America only in compliance with the Dealer Agreement.

Materialised Notes with a maturity greater than one year are subject to U.S. tax rules and may not be offered, sold or delivered in the territory of the United States of America or any of its possessions or to an American citizen (U.S. Persons), with the exception of certain transactions permitted under U.S. tax laws. The terms used in this paragraph shall have the meaning given to them in the U.S. Internal Revenue Code of 1986 and its implementing regulations.

In addition, the offering or sale by any Dealer (whether or not participating in the offering) of any identified tranche of Notes within the United States of America within the first forty (40) calendar days after the commencement of the offering, may violate the registration requirements under the U.S. Securities Act.

### 3. UNITED KINGDOM

#### *Prohibition of sales to United Kingdom retail investors*

Each Dealer has represented and agreed, and each Dealer subsequently appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available, and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular, as completed by the relevant Pricing Supplements, to any retail investor in the United Kingdom.

For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a "retail client", as defined in point (8) of Article 2 of Regulation (EU) 2017/565, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018) (the **EUWA**); or
  - (ii) a customer within the meaning of the Financial Services and Markets Act 2000, as amended (the **FSMA**) and any rules or regulation made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in Regulation (EU) 600/2014, as it forms part of UK domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor within the meaning of Article 2 of Regulation (EU) 2017/1129, as it forms part of UK domestic law by virtue of the EUWA: and
- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

#### *Other regulatory restrictions*

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

- (a) in relation to any Notes having a maturity of less than one year, (i) it is a person whose ordinary activities involve acquiring, holding, managing or selling financial products (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes to persons in the United Kingdom, other than to persons whose ordinary activities involve acquiring, holding, managing or selling financial products (as principal or agent) for the purposes of their business or to persons who may reasonably be expected to acquire, hold, manage or sell financial products (as principal or agent) for the purposes of their business, where the issue of the Notes would otherwise constitute a violation of Section 19 of the FSMA;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not and will not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything it does in relation to the Notes in, from or otherwise involving the United Kingdom.

#### 4. **FRANCE**

Each of the Dealers and the Issuer has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, Notes to the public in France (other than to qualified investors, as defined below); it has not distributed, and will not distribute or cause to be distributed to the public in France, the Offering Circular, the relevant Pricing Supplements 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 Offering Circular in accordance with Article 1.2 b) of the Prospectus Regulation.

## FORM OF PRICING SUPPLEMENTS

Set out below is the Form of Pricing Supplements that will be issued for each Tranche of Notes:

**[MiFID II Product Governance / Target Market: eligible counterparties and professional clients only -**  
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 the European Securities and Markets Authority (**ESMA**) on 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining the appropriate distribution channels.

**[UK MiFIR Product Governance / Target Market: professional clients and eligible counterparties only**  
— 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 the European Securities and Markets Authority (**ESMA**) on 5 February 2018 (in accordance with the UK Financial Conduct Authority'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 only, as defined in the UK Financial Conduct Authority's Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels of distribution of the Notes to eligible counterparties or 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 UK Financial Conduct Authority's 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 the appropriate distribution channels].

Pricing Supplements dated [●]



NOUVELLE-AQUITAINE REGION

*Legal Entity Identifier (LEI): 9695006XQNPJYFEUTU05*

**Note issuance programme**  
**(Euro Medium Term Note Programme)**  
**of 1,000,000,000 euro**

**[Brief description and aggregate nominal amount of Notes]**

**SERIES No: [●]**

**TRANCHE No: [●]**

Issue Price: [●]%

**[Name(s) of Dealer(s)]**

## PARTIE 1

### CONTRACTUAL TERMS

This document constitutes the Pricing Supplements in respect of the issue of notes described below (the **Notes**) and contains the final terms of the Notes. These Pricing Supplements complete the offering circular dated 21 October 2021 [and the supplement to the Offering Circular dated [●]] relating to the Issuer's Euro Medium Term Note Programme of €1,000,000,000, which [together] constitute[s] an offering circular (the **Offering Circular**) and must be read together with the latter. The terms used below have the meaning given to them in the Offering Circular. The Notes shall be issued in accordance with the provisions of these Pricing Supplements together with the Offering Circular. The Issuer accepts responsibility for the information contained in these Pricing Supplements which, together with the Offering Circular, contain all material information in connection with the issue of the Notes. Complete information about the Issuer and the offer of the Notes is only available based on these Pricing Supplements and the Offering Circular. These Pricing Supplements and the Offering Circular are published on the Issuer's website (<https://www.nouvelle-aquitaine.fr/>), and available during normal office hours at the Issuer's headquarters. [Moreover, the Offering Circular is available [on/at] [●]].<sup>2</sup>

*[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 subparagraphs. Italics denote directions for completing the Pricing Supplements.]*

- |    |  |  |
|----|--|--|
| 1. | Issuer:                                      | Nouvelle-Aquitaine Region  |
| 2. | (a) Series:                                  | [●]  |
|    | (b) Tranche:                                 | [●]  |
|    | (c) Date on which the Notes become fungible: | [Not applicable]/[The Notes will, once admitted for trading, be fully fungible with, and constitute a single Series with <i>[describe relevant Series]</i> issued by the Issuer on <i>(insert date)</i> (the <b>Existing Notes</b> ).] |
| 3. | Specified Currency:                          | [euro]   |
| 4. | Aggregate Nominal Amount:                    | [●]  |
|    | (a) Series:                                  | [●]  |
|    | [(b) Tranche:                                | [●]]   |
| 5. | Issue price:                                 | [●]% of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> (in the case of fungible issues or first broken coupon, if relevant).]   |
| 6. | Specified Denomination(s):                   | [●] [ <i>(one Denomination only for Dematerialised Notes)</i> ]  |
| 7. | (a) Issue Date:                              | [●]  |

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<sup>2</sup> If the Notes are listed for trading on a Regulated Market other than Euronext Paris.

- (b) Interest Period Commencement Date:  [Specify /Issue Date / Not Applicable]
8. Maturity Date: *[specify the date or (for Floating Rate Notes) the Coupon Payment Date of the month and year in question, or the nearest date to the Coupon Payment Date in the relevant month and year]*
9. Interest Basis: [Fixed Rate of %] [EURIBOR/TEC10/CMS Rate/€STR] +/-% of the Floating Rate] [Zero Coupon Note] (other details specified below)
10. Redemption/Payment basis: [Subject to any repurchase and cancellation or early redemption, the Notes shall be redeemed on the Maturity Date at % of their nominal amount.]  
[Instalment Payment]
11. Change of Interest Basis: [Applicable (for the Notes bearing interest at a Fixed Rate/Floating Rate)/ Not applicable]  
*(Specify details for conversion of Fixed/ Floating Rate interest in accordance with Condition 4.4)*
12. Redemption at the option of the Issuer/Noteholders: [Redemption at the option of the Issuer][Redemption at the option of the Noteholders] [*other details specified below*]
13. (a) Status of the Notes: Senior
- (b) Date of authorisation of the issue of the Notes:
14. Method of distribution: [Syndicated/Non-syndicated]

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note provisions:

[Applicable/Not Applicable]

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

- (a) Interest Rate: [●]% per annum [payable [annually/semi-annually/quarterly/monthly/ other (*specify*)] at maturity]
- (b) Interest Payment Date(s): [●] in each year [adjusted in accordance with specified Business Day Convention and any relevant Business Centre(s) for the "Business Day" definition]/not adjusted] [Not Applicable]
- (c) Fixed Coupon Amount(s): [●] per [●] of Specified Denomination
- (d) Broken Coupon Amount(s): *[Include information relating to the initial or final Broken Coupon Amount which is different from the Fixed Coupon Amount(s) and the Coupon Payment Date(s) to which it refers]/[Not applicable]*
- (e) Day Count Fraction (Condition 4.1): [Actual/365 Basis / Actual/365-FBF / Actual/Actual-[ICMA/FBF] / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360 FBF / Actual 30A/360 (American Bond Basis) / 30E/360 / Euro Bond Basis / 30E/360 – FBF.]
- (f) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [not adjusted]
- (g) Determination Date(s) (Condition 4.1): [●] for each year (*specify the Interest Payment Dates, excluding the Issue Date and the Maturity Date in the case of a first or last long or short Coupon.*)
- N.B.: applicable only when the Day Count Fraction is Actual/Actual (ICMA) Basis.)*

16. Provisions relating to Floating Rate Notes:

[Applicable/Not Applicable]

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

- (a) Interest Period(s): [●]
- (b) Interest Payment Date(s): [●]

- (c) First Coupon Payment Date: [●]
- (d) Business Day Convention: [Floating Rate Business Day Convention//Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [not adjusted]
- (e) Business Centre(s) (Condition 4.1): [●]
- (f) Method to determine Interest Rate: [Screen Rate Determination/FBF Determination]
- (g) Party responsible for calculating the Interest Rate or Rates Coupon Amount or Amounts (if other than the Calculation Agent): [●]
- (h) Screen Rate Determination (Condition 4.3(ii)): [Applicable/Not Applicable]
- Reference Rate: [●]
  - [Screen Page: [●]]  
*(delete this paragraph if €STR is the Benchmark)*
  - Reference Date: [●]
  - Reference Time: [●]
  - Coupon Determination Date: [[● [TARGET] Business Days in [specify the city] for [specify the currency] before [the first day of each Interest Period/each Coupon Payment Date]]
  - Primary source for the Floating Rate: [Specify the relevant Screen Page or "Reference Banks"]
  - Reference Banks (if the primary source is "Reference Banks"): [Specify four entities]
  - Reference Financial Centre: [The financial centre most closely connected with the Benchmark– specify, if other than Paris]
  - Benchmark: [EURIBOR/TEC10/CMS Rate/€STR] / [●]  
*(if the Interest Rate is determined by linear interpolation in respect of a [first/last] [long/short] Interest Period, insert the relevant interest period(s)*

and the relevant rates used for the determination described herein)

- [Observation Look-Back Period: [[●] TARGET Business days] (*Applicable only if €STR is the Benchmark*)/Not Applicable]
  - Representative Amount: [*Specify if quotations published on a Screen Page or offered by Reference Banks must be given for a transaction of a specific amount*]
  - Effective Date: [*Specify if quotations are not to be obtained with effect at the start of the Interest Period*]
  - Specified Duration: [*Specify period for quotation if other than duration of Interest Period*]
- (i) FBF Determination (Condition 4.3(i): [Applicable/Not Applicable]
- Floating Rate: [●]  
  
*(if the Interest Rate is determined by linear interpolation in respect of a [first/last] [long/short] Interest Period, insert the relevant interest period(s) and the relevant rates used for the determination described herein)*
  - Floating Rate Determination Date: [●]
  - FBF Definitions: [●]
- (j) Margin(s): [[+/-] [●]% per annum/Not Applicable]
- (k) Minimum Interest Rate: [[●]% per annum/0]<sup>3</sup>
- (l) Maximum Interest Rate: [[●]% per annum/Not Applicable]
- (m) Day Count Fraction (Condition 4.1): [Actual/365 Basis / Actual/365-FBF / Actual/Actual-[ICMA/FBF] / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360 FBF / Actual 30A/360 (American Bond Basis) / 30E/360 / Euro Bond Basis / 30E/360 – FBF.]
- (n) Rate Multiplier: [●]

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<sup>3</sup> Interest payable for Notes will be at least equal to zero in all circumstances.

17. Provisions relating to Zero Coupon Notes:

[Applicable/Not Applicable]

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

(a) Yield:

[●] % per annum

(b) Day Count Fraction (Condition 4.1):

[Actual/365 Basis / Actual/365-FBF / Actual/Actual-[ICMA/FBF] / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30/360 FBF / Actual 30A/360 (American Bond Basis) / 30E/360 / Euro Bond Basis / 30E/360 – FBF.]

**PROVISIONS RELATING TO REDEMPTION**

18. Redemption at the option of the Issuer

[Applicable/Not Applicable]

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

(a) Optional Redemption Date(s):

[●]

(b) Optional Redemption Amount(s) for each Note:

[●] per Note [of Specified Denomination [●]]

(c) If redeemable in part:

(i) Minimum redemption amount:

[●]

(ii) Maximum redemption amount:

[●]

(d) Notice period:

[●]

19. Redemption at the option the Noteholders:

[Applicable/Not Applicable]

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

(a) Optional Redemption Date(s):

[●]

(b) Optional Redemption Amount(s) for each Note:

[●] per Note [of Specified Denomination [●]]

(c) Notice period (Condition 5.3):

[●]

20. Final Redemption Amount for each Note:

[[●] per Note [of Specified Denomination [●]]]

21. Instalment Amount: [Applicable/Not Applicable] *(If this paragraph is not applicable, delete the remaining subparagraphs)*
- (a) Instalment Date(s): [●]
- (b) Instalment Amount(s) of each Note: [●]
22. Early Redemption Amount
- (a) Early Redemption Amount(s) for each Note paid on redemption for tax reasons (Condition 5.6), illegality (Condition 5.8) or on Event of Default (Condition 8):
- [Pursuant to the Terms and Conditions / [●] per Note [of Specified Denomination [●]/[(for notes with Payment in Instalments) the unamortised nominal value]
- (b) Redemption for tax reasons on dates other than Coupon Payment Dates (Condition 5.6): [Yes/No]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of the Notes: [Dematerialised Notes/Materialised Notes] (Materialised Notes are issued in bearer form only)(Delete as appropriate)
- (a) Form of Dematerialised Notes: [Bearer dematerialised/Registered dematerialised/Not Applicable] *(If applicable indicate if bearer/registered)*
- (b) Registration Agent: [Not Applicable/if applicable name and information] *(N.B. a Registration Agent may be appointed in respect of Dematerialised Notes in pure registered form (au nominatif pur) only).*
- (c) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Physical Notes on [●] (the **Exchange Date**), 40 calendar days after the issue date, unless postponed, as specified in the Temporary Global Certificate.]
24. Financial Centre(s) (Condition 6.7): [Not Applicable/Specify]. *(N.B. this refers to the date and place for payment and not the Interest Payment Dates referred to in paragraphs 15(ii) and 16(i))*

25. Talons for future Coupons to be attached to Physical Notes: [Yes/No/Not Applicable]. *(If yes, specify) (Only applicable to Materialised Notes.)*
26. Provisions relating to redenomination, renominatisation and reconventioning: [Applicable/Not Applicable]
27. Provisions relating to consolidation: [Not Applicable/The provisions of Condition 1.4 apply]
28. Masse (Condition 10): *(Specify details relating to the initial and alternate Representatives and their remuneration as set out below)*
- Name and contact details of the initial Representative are: [●]
- Name and contact details of the alternate Representative are: [●]
- The Representative of the Masse [shall receive a remuneration of €[●] per year with respect to its functions/shall not receive compensation with respect to its functions]] /
- [As long as the Notes are held by a single Noteholder, and in the absence of a designated Representative, the latter will exercise all of the powers devolved to the Masse by the provisions of the French Commercial Code, as supplemented by the Terms and Conditions. The Issuer must hold (or will arrange for a capable agent to hold) a register of all decisions adopted by the single Noteholder and must make it available, on request by any future Noteholder. A representative shall be appointed as soon as the Notes of a Series are held by more than one Noteholder.]
29. **Other Information:** [●]
- (insert any additional information)*

**PURPOSE OF THE PRICING SUPPLEMENTS**

These Pricing Supplements contain the pricing supplements for the issue [and] [the admission to trading of the Notes [on Euronext Paris/other (*specify*)] described in the framework of the Euro Medium Term Note Programme of €1,000,000,000 of the Nouvelle-Aquitaine Regional Council.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Pricing Supplements. [[*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.]<sup>4</sup>

Signed on behalf of the Issuer:

By: .....  
Duly authorised

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<sup>4</sup> To be included if information is provided by a third party.

## PARTIE 2

### OTHER INFORMATION

#### 1. [RISK FACTORS

[Not applicable]/(Insert any risk factor relating to the Issuer and/or the Notes)]

#### 2. ADMISSION TO TRADING

(a) Admission to trading: [A request for admission of the Notes to trading on [Euronext Paris/other (*specify*)] as from [●] has been made.]

[A request for admission of the Notes to trading on [Euronext Paris/other (*specify*)] as from [●] shall be made by the Issuer (or on its behalf).]

[Not Applicable]

*(in the case of fungible issues, specify that the original Notes have already been admitted to trading.)*

(b) Total estimated costs for admission to trading: [[●]/Not Applicable]

#### 3. RATINGS AND CONVERSION INTO EURO

Ratings: The Programme has been rated [●] by [●] ([●]).

[●] is established in the European Union and is registered in accordance with Regulation (EC) No. 1060/2009 relating to credit rating agencies as amended (the **ANC Regulation**). [●] is on the list of credit rating agencies published by the European Securities Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the ANC Regulation.

The Notes to be issued [have not been rated]/[have been assigned /are expected to be assigned] the following rating:

[[●]: [●]]

[[Other]: [●]]

*(The rating assigned to the Notes issued under the Programme must be specified above or, if an issue of Notes has received a specific rating, this specific rating must be indicated above.)*

Conversion into euro: [Not applicable/ The aggregate nominal amount of the Notes issued has been converted into euro at a rate of [●], i.e. a sum of: [●]]

(Only applicable to Notes which are not denominated in euro)

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

*The purpose of this section is to describe any interest, including any conflict of interest that may have a material impact on the issue of the Notes, identifying each person concerned and the nature of such an interest. This may be satisfied by inserting the following statement:*

["Except for the commissions related to the issue of Notes [and the expenses relating to *insert details of expenses*] paid to Dealer[s], so far as the Issuer is aware, no other person involved in the issue of Notes has any interest material to the issue. [The] Dealer[s] and [its/their] affiliates have conducted, and may conduct, transactions related to their investment banking and/or commercial banking with the Issuer, and may provide the Issuer with other services in the normal course of their business".]

**5. USE OF PROCEEDS AND ESTIMATED NET AMOUNT**

(a) Use of the Proceeds: [specify]

[See the Chapter "Use of Net Issue Proceeds" in the Offering Circular]

(b) Estimated net proceeds: [●]

*(If the proceeds are intended for several uses, provide a breakdown and order of priority. If the proceeds are insufficient to finance all planned uses, specify the amount and sources of other financing.)*

**6. [FIXED RATE NOTES ONLY - YIELD**

Yield: [●]% per annum

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

**7. [FLOATING RATE NOTES ONLY – HISTORICAL INTEREST RATES**

*Details of historical rates [EURIBOR, CMS Rate, TEC10, €STR] may be obtained from [Reuters].*

**8. DISTRIBUTION**

If it is syndicated, names of the Placement Syndicate Members: [Not applicable/give names]

(a) Dealer commission: [Not Applicable/[●]]

(b) Date of the underwriting agreement: [Not Applicable/[●]]

If it is not syndicated, name of the Dealer: [Not applicable/give name]

Entity responsible for the Stabilisation Measures (if any): [Not applicable/give name]

Sale restrictions – United States of America: [Regulation S Compliance Category 1: TEFRA C Rules / TEFRA D Rules / Not applicable] (*TEFRA Rules are not applicable to the Dematerialised Notes*)

## 9. OPERATIONAL INFORMATION

(a) ISIN Code: [●]

(b) Common code: [●]

(c) Depositary(ies):

(i) Euroclear France acting as Central Depositary: [Yes/No]

(ii) Common Depositary for Euroclear and Clearstream: [Yes/No]

(d) Any clearing system other than Euroclear France, Euroclear and Clearstream and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

(e) Delivery: Delivery [for payment/no payment]

(f) Names and addresses of initial Paying Agents appointed for the Notes: [●]

(g) Names and addresses of additional Paying Agents appointed for the Notes: [●]

## GENERAL INFORMATION

1. The issuer has obtained all agreements, approvals and authorisations required in France for the establishment of the Programme. Any Notes issuance must be authorised by means of a decision of the Issuer's Regional Council. In accordance with resolution No. 2021.1221.SP dated 2 July 2021, the Regional Council has delegated to its President, for the duration of his term of office and within the limits set out therein, the power to take out loans intended to finance investments provided for in the Region's budget, such as borrowings in the form of bonds within the framework of the Programme, and to undertake all actions necessary for this purpose and to take all decisions and sign all documents for the issuance of Securities under the Programme.
2. There has been no significant change in (a) the tax and budgetary systems, (b) the gross public debt, (c) the trade balance and the balance of payments, (d) foreign exchange reserves, (e) position and financial resources, nor in the Issuer's income and expenses since 31 December 2020.
3. This Offering Circular will be published on the Issuer's website (<https://www.nouvelle-aquitaine.fr/>). So long as the Notes are admitted to trading on an EEA regulated market or offered to the public in a Member State other than France, the Pricing Supplements concerned will be published on the Issuer's website (<https://www.nouvelle-aquitaine.fr/>).
4. The Issuer is not involved in, nor are there any governmental, legal or arbitration proceedings pending or threatened, of which the Issuer is aware, which may have or have had a material effect on the financial position of the Issuer during the twelve months prior to the date of this Offering Circular.
5. An application for acceptance of the Notes for clearing through Euroclear France (66, rue de la Victoire 75009 Paris France), Euroclear (boulevard du Roi Albert II – 1210 Brussels – Belgium) and Clearstream (42 avenue JF Kennedy – 1885 Luxembourg – Grand Duchy of Luxembourg) may be filed. The Common Code and ISIN number (International Securities Identification Number) or the identification number of any other relevant clearing system for each Series of Notes shall be specified in the applicable Pricing Supplements.
6. So long as any Notes issued under this Offering Circular remain outstanding, copies of the following documents shall be available, upon publication, free of charge, during normal office hours, on any days of the week (except Saturdays, Sundays and public holidays) at the offices of the Fiscal Agent and the Paying Agents:
  - (a) the Fiscal Agency Agreement (which includes the form of accounting letter (*lettre comptable*), the Temporary Global Certificates, Physical Notes, Coupons and Talons);
  - (b) the two most recent primary budgets (*budgets primitifs*) (as amended, if applicable, by any supplemental budget) and the published administrative accounts of the Issuer;
  - (c) all Pricing Supplements relating to any Notes admitted to trading on Euronext Paris or any other regulated market of the EEA;
  - (d) a copy of this Offering Circular as well as any supplement thereto or any new offering circular; and
  - (e) all reports, correspondence and other documents, appraisals and statements issued by any expert at the request of the Issuer, any extracts of which, or references to which, are contained in this Offering Circular relating to any issue of Notes.
7. The price and the amount of the Notes issued within the Programme shall be determined by the Issuer and each relevant Dealer at the time of the issue in accordance with the market conditions.

8. For any Tranche of Fixed Rate Notes, an indication of the yield on said Notes shall be specified in the applicable Pricing Supplements. The Yield is calculated at the Issue Date of the Notes on the basis of the Issue Price. The specified yield shall be calculated as the yield to maturity as at the Issue Date of the Notes and shall not be an indication of future yields.
9. In connection with each Tranche, one of the Dealers may act as stabilisation manager (the **Stabilisation Manager**). The entity acting as Stabilisation Manager shall be specified in the applicable Pricing Supplements. For the purposes of an issue, the Stabilisation Manager (or any person acting on behalf of the Stabilisation Manager) may over-allot Notes or take action with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail in the absence of such action (the **Stabilisation Measures**). However, such Stabilisation Measures shall not necessarily be taken. Such Stabilisation Measures may commence only after the date on which the final terms of the issue of the relevant Tranche have been made public and, once initiated, they may end at any time and must end no later than the earlier of the following two dates: (a) 30 calendar days after the issue date of the relevant Tranche and (b) 60 calendar days after the date of allotment of the Notes of the relevant Tranche. Any Stabilisation Measures taken must comply with all applicable laws and regulations.
10. Each of the Dealers and their affiliates may, now or in the future, in the normal conduct of their activities, be in a business relationship or act as a financial advisor to the Issuer in relation to the securities issued by the Issuer. In the normal course of their activities, each of the Dealers and their affiliates may, now or in the future, (i) conduct investment, trading or hedging transactions, including brokerage activities or transactions on derivative products, (ii) act as underwriters of financial securities offered by the Issuer, or (iii) act as the Issuer's financial advisors. In the context of such transactions, each of the Dealers and their affiliates may or will hold financial securities issued by the Issuer, in which case each of the Dealers and their affiliates will receive normal commissions for such transactions. Moreover, the Issuer and each of the Dealers may be involved in transactions relating to an index or derivative products based on or related to the Notes, which could affect the market price, liquidity or value of the Notes, and could have an adverse impact on the interests of Noteholders.
11. The Issuer's Legal Entity Identifier (LEI) number is 9695006XQNPJYFEUTU05.

**RESPONSIBILITY FOR THE OFFERING CIRCULAR**

**Person assuming responsibility for this Offering Circular**

**In the name of the Issuer**

I hereby confirm, having taken all reasonable care to this end, that the information contained in this Offering Circular is, to my knowledge, in accordance with the facts and contains no omission likely to affect its import.

Bordeaux, 21 October 2021

**Nouvelle-Aquitaine Region**

14, rue François de Sourdis

33077 Bordeaux Cedex

Represented by:

Alain Rousset

The President of the Regional Council

**Issuer**

**Nouvelle-Aquitaine Region**

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**Arranger**

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92547 Montrouge

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**Dealers**

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**La Banque Postale**

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France

**Natixis**

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75013 Paris

France

**Société Générale**

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75009 Paris

France

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

**Banque Internationale à Luxembourg, public limited company**

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**to the Issuer**

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